Ministry of

2001-2002 Annual Report

Alberta
GOVERNMENT OF ALBERTA

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Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 24 Ministries.

The annual report of the Government of Alberta released June 2002 contains the Minister of Finance's accountability statement, the consolidated financial statements of the province and a comparison of the actual performance results to desired results set out in the government's business plan, including the *Measuring Up* report.

This annual report of the Ministry of Environment contains the Minister's accountability statement, the audited financial statements of the Ministry and a comparison of actual performance results to desired results set out in the business plan. This Ministry annual report also includes:

- the financial statements of entities making up the Ministry, including the Department of Environment, for which the Minister is responsible,
- other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the Ministry has anything to report, and
- financial information relating to trust funds.

Minister's Accountability Statement

The Ministry of Environment's annual report for the year ended March 31, 2002 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at September 3, 2002 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

Lorne Taylor

Lorne Taylor
Minister of Environment

Message from the Minister

Throughout 2001-2002, Alberta Environment helped sustain a high quality of life for Albertans through its protection and management of water, climate and many other aspects of the environment at the provincial, national and international level.

A government-wide consultation process entitled *Water for Life: Alberta's Strategy for Sustainability* was initiated to help guide the province's stewardship over this critical resource. Since the February 28 web site launch, more than 54,000 Albertans have logged on for current information and to download public consultation materials. (www.waterforlife.gov.ab.ca)

Alberta Environment also released *A Strategy for Managing Environmental & Economic Risks*, starting a process to develop a "made-in-Alberta" action plan on climate change. The Ministry continued its work with stakeholders through Climate Change Central to influence and design leading-edge solutions to reduce greenhouse gas emissions.

Continued leadership by staff, and in many cases, partnerships with Alberta groups also resulted in the following action being taken:

- Stringent new emission standards were established for all new coal-fired electricity generation plants and for expansions to existing plants.
- Regulations for beverage container recycling were expanded to include Alberta-based brewers. Consumers in Alberta are now receiving their full refunds on beer bottles and cans — and helping divert another form of recyclable "garbage" from Alberta's roads and landfills.
- Education, the first step in promoting responsible environmental action, was supported by a strong compliance program. Environmental offenders paid close to $755,000 in Alberta Environment fines and penalties.

High environmental standards were also maintained on an administrative level during a significant restructure into three regions — Northern, Central and Southern — with personnel and resources appropriately redeployed to better meet the environmental needs of Albertans.

To build on the Ministry's commitment to make proactive and informed decisions, I formed a new Environmental Protection Advisory Committee in January 2002. With members drawn from the ranks of proven leaders in Alberta communities, research and industry, the Committee's role is to provide advice to me on issues affecting the environment and sustainable development.

Protecting the environment is a collaborative effort. My thanks to all who have helped in this important collaboration. In partnership with Albertans, I look forward to building on Ministry initiatives which ensure a safe, sustainable and prosperous future for our children.

Lorne Taylor

Lorne Taylor
Minister of Environment

Management's Responsibility for Reporting

The Ministry of Environment includes the Department of Environment and the Environmental Appeal Board.

The executives of the Ministry have the primary responsibility and accountability for their respective entities. Collectively, the executives ensure the Ministry complies with all relevant legislation, regulations and policies.

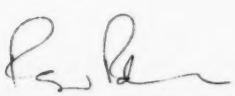
Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports, and other financial and performance reporting.

Responsibility for the integrity and objectivity of the financial statements and performance results for the Ministry rests with the Minister of Environment. Under the direction of the Minister, I oversee the preparation of the Ministry's annual report, including financial statements and performance results. The financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The financial statements are prepared in accordance with the government's stated accounting policies.

As Deputy Minister, in addition to program responsibilities, I establish and maintain the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money,
- provide information to manage and report on performance,
- safeguard the assets and properties of the Province under Ministry administration,
- provide Executive Council, Treasury Board, the Minister of Finance and the Minister of Environment any information needed to fulfill their responsibilities, and
- facilitate preparation of Ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the Ministry, I have relied, as necessary, on the executive of the individual entities within the Ministry.



Roger Palmer
Deputy Minister of Environment

Introduction

The Ministry business plan for 2001-2004 provided Alberta Environment with clear direction outlined in goals, strategies and key activities. Results for the 2001-2002 fiscal year demonstrate that this Ministry proved to be an effective and performance-driven organization.

The Ministry of Environment is composed of the Department of Environment and the Environmental Appeal Board. In addition, the Ministry is responsible for three delegated administrative organizations: the Beverage Container Management Board, the Alberta Used Oil Management Association and the Tire Recycling Management Association of Alberta.

Following a division of responsibilities of some Ministries on March 15, 2001, Alberta Environment restructured and key businesses are now delivered through Environmental Assurance, Regional Services and Strategic Directions with support from Strategic Corporate Services, Communications and Human Resources.

The Ministry's Climate Change Branch continued work on Alberta's climate change action areas. *A Strategy for Managing Environmental & Economic Risks* began a process to shape provincial, as well as influence national climate change strategies, that are environmentally effective and economically sound. Another Alberta strategy, *Water for Life: Alberta's Strategy for Sustainability* will identify short- and long-term plans to effectively deal with the province's water-related issues. An integrated approach to doing business throughout the Ministry is supported through policy analysis and development by Strategic Directions.

Alberta Environment aligns departmental goals with the Alberta government's goals as follows:

People

We continued to set standards and guidelines for air, land, soil and water quality. Monitoring and enforcing these standards with industry, municipalities and individuals contributes to the overall health and high quality of life for Albertans. In *Measuring Up 2002*, Goal 1 "Albertans will be healthy" references the contribution of a high quality environment for good health.

Prosperity

We continued to dedicate resources to the effective and responsible delivery of our core businesses - environmental management and environmental hazard management. These core businesses are crucial to Alberta's long-term prosperity and economic well-being.

Preservation

We continued to balance our economic well-being with environmental preservation by supporting priority areas such as air, land, water, climate change, sustainable development, environmental assurance and regulatory systems.

The Department

The Department of Environment is organized into three main divisions: Environmental Assurance, Regional Services and Strategic Directions. These groups are supported by Strategic Corporate Services, Communications and Human Resources. (www.gov.ab.ca/env)

Environmental Assurance (EA)

Peter Watson
Assistant Deputy Minister
Phone: (780) 427-6247

Environmental Assurance ensures the protection, enhancement and wise use of the environment through consistent and effective environmental strategies and programs. These include science-based standards and guidelines, environmental monitoring and reporting, compliance assurance, public education and stakeholder partnerships, and information to minimize risk from floods and droughts.

Regional Services (RS)

Paul Pellis
Assistant Deputy Minister
Phone: (780) 427-1990

Regional Services provides community-level service through its regional program comprised of three regions: Northern, Central, and Southern. This enhances the ability to develop and manage the province's numerous programs, with support from the community. Each region's operational responsibilities include Environmental Approvals, Environmental Compliance, Environmental Management and Water Operations.

Strategic Directions (SD)

John Donner
Assistant Deputy Minister
Phone: (780) 415-8183

Strategic Directions provides broad and long-term leadership to initiatives affecting the quality of the environment and sustainable development. Strategic Directions' role is to provide proactive and anticipatory perspectives to issues and concerns. Policy analysis supports Ministry direction and initiatives. Strategic Directions works closely with Regional Services, Environmental Assurance, related departments and stakeholders to develop the policy frameworks, approaches and options that resolve current problems and alleviate future ones.

Boards

The Minister of Environment is responsible for the Environmental Appeal Board. This Board operates at arm's length from the department, and reports directly to the Minister of Environment.

Environmental Appeal Board (EAB)

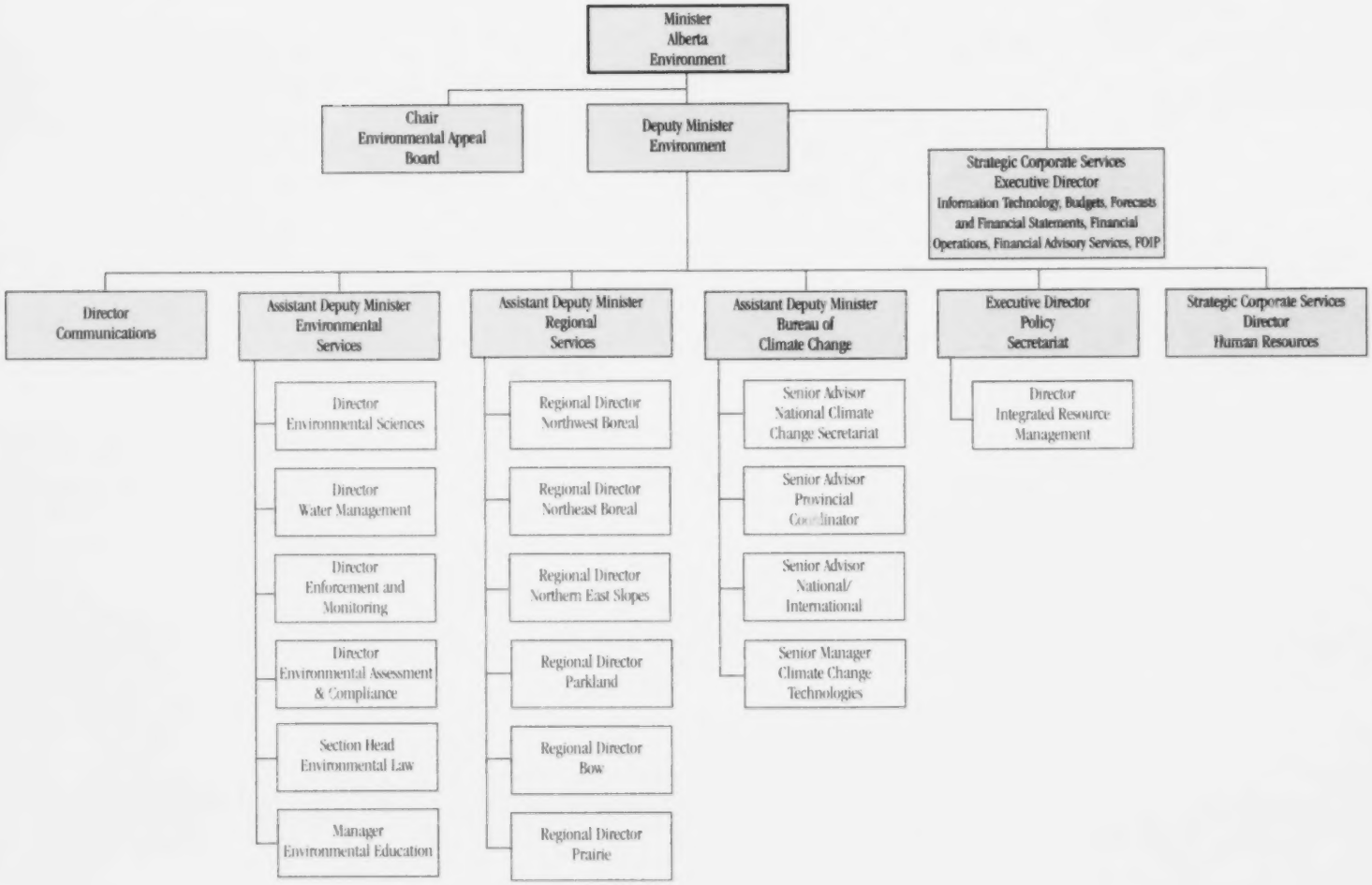
Dr. William Tilleman, Q.C.
Chair
Phone: (780) 427-6207

The Environmental Appeal Board (EAB), consistent with the *Environmental Protection and Enhancement Act* and the *Water Act*, seeks to provide fair, impartial and efficient resolution of all matters before it. Its goal is to advance the protection, enhancement and wise use of Alberta's environment.

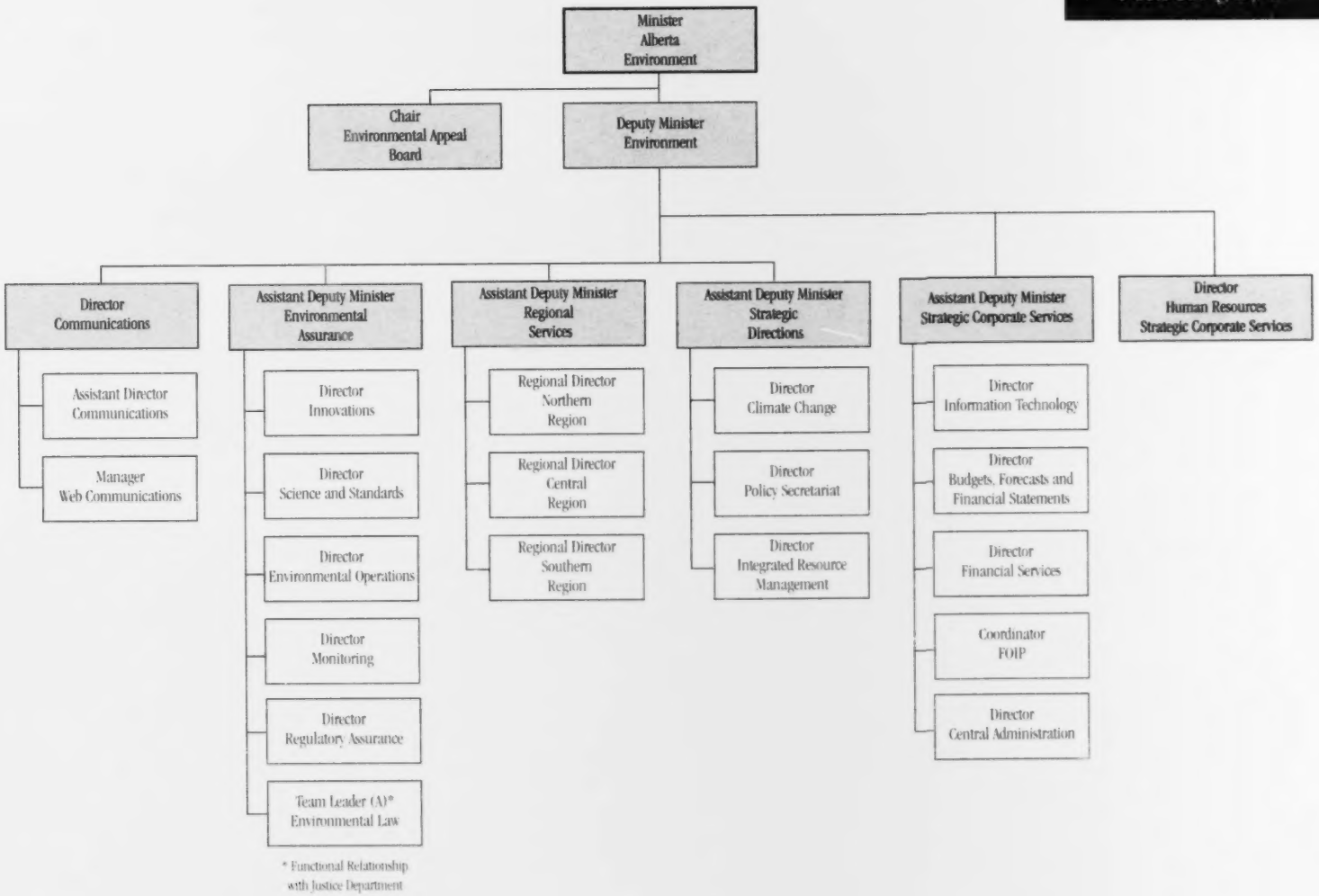
The EAB was established on September 1, 1993 under Alberta's *Environmental Protection and Enhancement Act*. The Board hears appeals based on the *Environmental Protection and Enhancement Act*, the *Water Act* and Schedule 5 of the *Government Organization Act*.

The EAB has the power to make recommendations to the Minister of Environment on matters brought before it, with the Minister making the final decision. On matters relating to requests for confidentiality, stays, costs, administrative penalties, and certain matters relating to water works, the Board makes the final decisions. The EAB does not replace or eliminate the right of Albertans to seek judicial review in the courts consistent with common law practice.

Alberta Environment
April 1, 2001



Alberta Environment
March 31, 2002

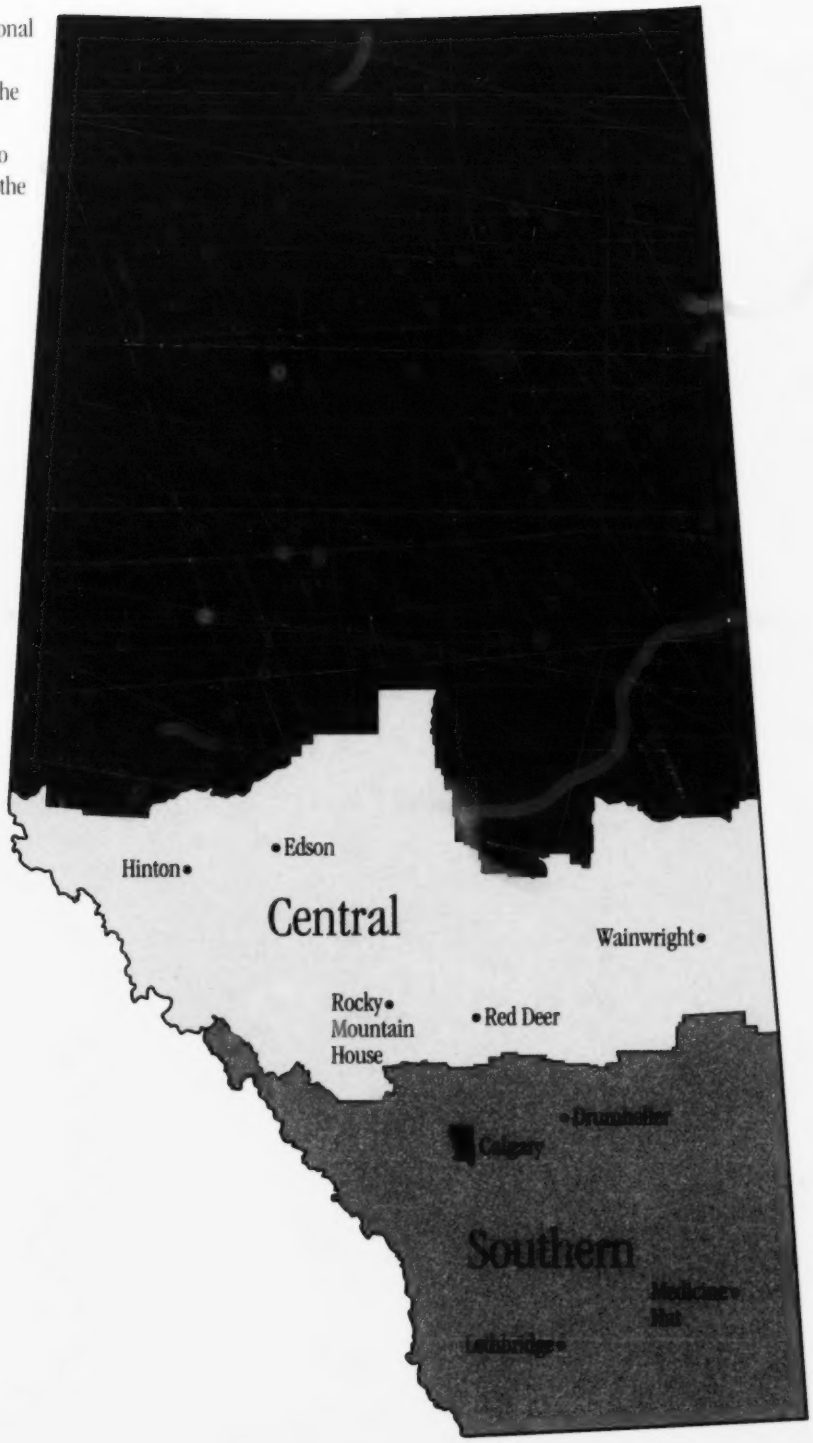


Environment 11 2001-2002

Regional Map

In March 2002, Alberta Environment's Regional Services restructured from six into three regions: Northern, Central and Southern. The department's new regional structure was organized to better reflect its mandate and to meet the needs of Albertans, by focusing on the delivery of efficient client services.

This restructure is reflected in the Organizational Chart - March 31, 2002.



Awards

Award:	Premier's Award of Excellence, Bronze Category
Presented by:	Government of Alberta
Description:	The Premier's Award recognized the Alberta Ethylene Crop Research Project for its collaborative study into the effects of ethylene exposure on agricultural crops. A multi-stakeholder team including industry, the agricultural community and government went beyond the extensive scientific benefits to build understanding and trust among participants. Industry and government pooled resources to provide credible Alberta specific research to manage air quality and minimize risk to field crops near ethylene production facilities.

Award:	Premier's Award of Excellence, Bronze Category
Presented by:	Government of Alberta
Description:	The Alberta Environment Canada-wide Standards team established a consensus-based model for addressing complex, national environmental issues. The team participated in this initiative, consulting internally and with other provinces to ensure standards addressed problems and were workable in all jurisdictions. Consultations ranged from multi-stakeholder groups to one-on-one discussions. These "tailored" consultations kept stakeholders informed, gave them a voice in the development of standards and achieved significant 'buy-in' to the final standards endorsed by the Canadian Council of Ministers of the Environment.

Award:	Emerald Award, Community Group Category
Presented by:	The Alberta Emerald Foundation
Description:	Science and Standards Branch and Environmental Operations Branch staff were honored for their work as part of the Milk River Aquifer Management Advisory Committee. A partnership program, initiated by the Committee among three levels of government and local stakeholders, will ensure the Milk River Aquifer is managed for the benefit of current and future generations.

EMERALD AWARDS
1991 • 2001
TENTH ANNIVERSARY

Award:	Emerald Award, Special Award Category
Presented by:	The Alberta Emerald Foundation
Description:	The Oldman River Basin Water Quality Initiative was honored for its co-operative work in the Oldman River Basin. The multi-stakeholder group provided information about water quality and land-use throughout the basin and supported the implementation of practices that will improve water quality. Numerous Alberta Environment staff participated in this initiative.

EMERALD AWARDS
1991 • 2001
TENTH ANNIVERSARY

Highlights

Albertans & Climate Change

In February 2002, Alberta Environment released Alberta's *Strategy for Managing Environmental & Economic Risks* of climate change. The strategy outlined a two-pronged approach: influencing federal decision-making and national policy, and demonstrating the province's commitment to address climate change by taking immediate long-term actions to reduce greenhouse gas emissions. In conjunction with the release of this strategy, Alberta Environment also released *An Assessment of the Economic Impacts of the Kyoto Protocol*. The analysis behind these documents was instrumental in the development of a "made-in-Alberta" approach that was developed by Alberta Environment later in 2002. This work helped to elevate the awareness of Alberta's commitment, as a province, to effectively manage the risks of climate change in the national/international forum.

Water for Life: Alberta's Strategy for Sustainability

Alberta is developing a comprehensive strategy with short-, medium-, and long-term plans to effectively manage the quality and quantity of the province's water systems and supply. Progressive growth as well as nature's unpredictability are putting more pressure on water supplies. As such, the provincial strategy will ensure there is an effective and sustainable way of conserving, managing and protecting water supplies, now and into the future.

Components of the public outreach and consultation process for the development of the strategy include: an ideas generation group, public consultations and a Minister's Forum on Water. Initial direction, provided by the ideas generation group last December, was further discussed and developed by Albertans this spring. The six week public outreach and consultation process was supplemented by a telephone survey and mail-outs.

Canada-wide Standards

Alberta Environment led the development of the Petroleum Hydrocarbons in Soils Standard. This risk-based Standard provides certainty and consistency for landowners, industry and regulators involved in the reclamation of sites contaminated with hydrocarbons. Alberta Environment also actively participated in development of other standards including: Mercury in Dental Amalgams, Mercury in Lamps, Dioxins and Furans in Waste Incineration and Benzene. These standards ensure a level national playing field for Alberta industry with provincial/national counterparts. In total, the Canadian Council of Ministers of the Environment endorsed five new Canada-wide Standards under the Canada-wide Accord on Environmental Harmonization during 2001-2002.

Highlights - cont'd

EcoLogo Certification

The Public Education and Outreach Branch received EcoLogo certification (under the Environmental Choice Program) for its new innovative and environmentally-friendly renovated office space — an Environmental Education Centre. The Ministry is only the third office in Canada to receive this designation. Specific criteria, including environmental and energy efficiency guidelines, had to be met to qualify for EcoLogo status. The Ministry also focused on the three Rs - Reduce, Reuse and Recycle during renovations. The EcoLogo certification is proof of Alberta Environment's commitment to environmentally sound practices. A virtual tour of the new Environmental Education Centre is available at www.gov.ab.ca/env/resedu/tour.cfm, which generated over 1,200 hits around the official opening in March 2002.

Youth Eco Forum

In cooperation with the Northern Forum, the Alberta government hosted the world's first Youth Eco Forum, an international meeting of young people from northern regions, in Edmonton in December 2001. Twenty-five youth from Finland, Russia, China, Japan, the United States and Canada learned about common environmental issues and offered their suggestions for environmental action. As a result, the participating delegates developed a Youth Eco Declaration stating their specific concerns for the environment and identifying actions to be taken to respond to those concerns.

Beverage Container Recycling Regulation

Alberta breweries were brought under the Beverage Container Recycling Regulation in November 2001, ending discounting of deposit refunds to consumers. Legislation now requires consumers receive full deposit on Alberta beer containers. The legislation also solves potential inter-provincial and international trade problems. Two hundred and fourteen bottle depots and 140 liquor outlets now accept beer containers for a full refund.

Environmental Best Practices Manual for the Alberta Road Builders and Heavy Construction Industry

Alberta Environment, in partnership with the Alberta Road Builders, Heavy Construction Industry Association and Environment Canada directed a study into the environmental effects of the road builders and heavy construction industry. The study resulted in the development of a best environmental practices manual for industry operators, focusing on pollution prevention strategies that avoid or minimize the generation of wastes and environmental disturbance. The project included a presentation on best practices at the industry's annual convention in November 2001.

Highlights - cont'd

Regional Sustainable Development Strategy for the Athabasca Oil Sands (Northern Region)

Northeast Alberta has experienced tremendous economic growth, and at the same time, potentially significant environmental impacts. These cumulative environmental issues, identified by stakeholders listed with the Regional Sustainable Development Strategy, are being addressed in partnership with the Cumulative Environmental Management Association (CEMA). A regional multi-stakeholder group, CEMA is responsible for making recommendations to manage cumulative environmental effects in the Athabasca Oil Sands Area.

Alberta Environment contributes to this partnership with CEMA by providing specialist staff time, office space at the Fort McMurray provincial building at nominal charge and administrative support.

Coal-fired Power Plants Environmental Impact Assessment Reviews (Central Region)

Staff participated on review teams for the EPCOR Genesee Generating Station Phase III and the TransAlta Utilities Centennial Projects. These projects involved a review of the project and Environmental Impact Assessment (EIA) documents in a compressed timeframe. The Ministry also participated in the Alberta Energy Utilities Board public hearings held on these proposed projects.

The resulting approval issued to EPCOR incorporates several novel provisions to ensure protection of the environment. The company is required to design flexibility into the project to meet evolving emission standards. Also, the company will be held to the commitment to partially offset greenhouse gas emissions and must increase the level of regional monitoring of contaminants and ecological indicators. This approval is expected to form a template for future power plant approvals in Alberta.

Drought Mitigation (Southern Region)

Due to a water supply shortage, provisions were implemented under the *Water Act* to ensure the rights of all Albertans were respected while water was shared among six irrigation districts, 14 towns and villages, and over 600 industries, water co-ops, stock watering and irrigation licencees. The irrigation component covered over 500,000 acres of irrigated land and water distribution from Waterton Park to Medicine Hat.

By communicating with water users, issuing 82 Water Management Orders and co-ordinating operations of government-owned dams and canals, the Ministry stretched reservoir capacities to new operational limits. Three billion dollars of existing water infrastructure was used to provide maximum possible benefits to users while meeting water flow commitments to Saskatchewan.

Our Core Businesses and Ministry Goals

Our two core businesses are Environmental Management and Environmental Hazard Management. These businesses support our vision and mission. Alberta Environment's core business activities also support the Alberta Government's priorities of People, Prosperity and Preservation. As such, several of our measures are used as government core measures. The goals most relevant to our Ministry's core businesses are listed below.

The main pieces of legislation that the Ministry derives its mandate from are the *Environmental Protection and Enhancement Act* and the *Water Act*.

Core Business 1: Environmental Management

Goal 1.1

To achieve sustainable development by establishing a framework (policies, legislation, plans, guidelines and standards) for environmental management and environmental protection.

Goal 1.2

To have available information and knowledge for making appropriate decisions.

Goal 1.3

To make sustainable development decisions about allocating resources through approvals, dispositions and licences and ensure compliance with those decisions in ways that strengthen the Alberta Advantage.

Goal 1.4

To support core business goals by ensuring water infrastructure and equipment are maintained and operated effectively.

Core Business 2: Environmental Hazard Management

Goal 2.1

To prevent, reduce and mitigate hazards resulting from flood, drought, emergency spills and other pollution-related incidents.

Summary of Key Activities in the Past Year

The following key activities contributed to the achievement of Ministry goals.

Climate Change

- In February 2002, Alberta Environment released Alberta's *Strategy for Managing Environmental & Economic Risks* of climate change and also released *An Assessment of the Economic Impacts of the Kyoto Protocol*.
- The Alberta Clean Development Mechanism/Joint Implementation Initiative (CDM/JI) hosted a China-Alberta CDM Workshop at Globe 2002. It attracted 50 Canadian companies and 12 Chinese delegates.
- In October 2001, the Alberta government renewed its commitment to taking effective action to reduce greenhouse gas emissions from its own operations, a new five-year target will result in a 26 per cent reduction in greenhouse gas emissions below 1990 levels by 2005. The Alberta government's plan includes taking effective actions that save money and reduce energy consumption in government buildings and vehicles, educating others on how they can take cost-effective action to reduce emissions, and measuring and reporting on cost-effective actions.
- Alberta participated in and supported the National Climate Change Technology Working Group with its work to develop a technology framework.
- The Government of Alberta began development of a Carbon Management Strategy. The framework will assist industry, encourage partnerships with other jurisdictions, and focus on development and demonstration of carbon management technologies (i.e. long-term storage capacity in geological formations) in the energy sector. The Alberta government, through the Alberta Energy Research Institute, invested $75,000 in the International Energy Agency Weyburn CO_2 Monitoring and Storage Project.
- In February 2002, Alberta and Saskatchewan jointly organized and chaired an international workshop to develop a Code of Practice for the geologic storage of carbon dioxide.
- Alberta Environment participated in the Prairie Adaptation Research Collaborative, a federal/regional initiative to fund research on climate change adaptation in the Prairie provinces.
- In November 2001, Alberta Environment tabled a Statement of Opportunity with the Clean Air Strategic Alliance to develop recommendations for a new air emissions management approach for the electricity generation sector. This approach would include performance expectations for greenhouse gas emissions.

Summary of Key Activities in the Past Year - cont'd

Water

- In cooperation with the Saskatchewan government, the ministry completed the Meridian Dam preliminary feasibility study. As a result of the study, both the Alberta and Saskatchewan governments agreed economics made the dam unfeasible, even before environmental impacts were taken into consideration.
- Water quality monitoring continued at 22 provincial Long-term River Network sites. Over 2,000 samples were collected and analyzed from other river and lake locations for water quality projects throughout the province.
- More than 66 *Water Act* approvals and an additional 117 temporary diversion licenses were issued to accommodate near-drought conditions over much of northeast Alberta. A key focus has been the integration of compliance, monitoring and enforcement of the *Water Act*.
- There has been ongoing review of new protocols for water quality reports for potable water to ensure safe drinking water supplies throughout the Northern Region.
- Phase one of the South Saskatchewan River Basin (SSRB) Water Management Plan was largely completed. The plan was developed in consultation with basin advisory committees and through public sessions. The plan recommends that the transfer provisions of the *Water Act* be implemented. It also recommends suspension of applications for licences for new water allocations in the southern tributaries of the Oldman River for the interim.
- As a partner in the Oldman River Basin Water Quality Initiative, the Ministry provided support for the collection of surface water quality data, and analysis and interpretation with respect to land use information.
- In partnership with the Bow River Basin Council, Alberta Environment provided assistance in the completion of the Guidebook to Water Management - background information on organizations, policies, legislation, programs and projects in the Bow River Basin. This document was prepared as a supplementary piece to the Bow River Basin Plan and is available at www.brbc.ab.ca.
- Stringent standards were implemented to control heavy metals, ammonia nitrogen and other discharges into the North Saskatchewan River from waste water treatment facilities, city and industrial operations.
- A web site, (www.gov.ab.ca/env/water/groundwater/index.html) providing public access to Groundwater Driller's Reports and associated water chemistry information, was developed and implemented at a cost of $25,000.

Air

- The Ministry provided grants of $915,000 to the Clean Air Strategic Alliance (CASA), the province's ongoing multi-stakeholder partnership, to develop a comprehensive air quality management system for Albertans, as well as a science symposium and air quality data website.
- The oil and gas industry achieved a 53 per cent reduction in solution gas flaring, well beyond the initial target of 25 per cent set by CASA. This reduction was made possible by assessing the economics of conserving the gas to determine whether or not flaring would be allowed. Royalty waivers were used in cases where conservation was considered non-economic. Flared gas is now being conserved or used to generate electricity.
- Alberta Environment co-chaired the CASA Pollution Prevention/Continuous Improvement Project Team. The Project Team commissioned an inventory of existing programs in Alberta on pollution prevention and continuous improvement. This inventory is now available through the CASA web site at www.casahome.org.

Summary of Key Activities in the Past Year - cont'd

- The Ministry contributed more than $10 million to the Western Canada Study on Animal and Human Health in 2001-2002. The funding was used to examine the effects of flare emissions and determine the safe level of exposures on beef cattle, human and animal health, and livestock productivity.
- Alberta Environment operates a network of nine air quality monitoring stations: three in both Edmonton and Calgary, and one each in Red Deer, Fort Saskatchewan and Beaverlodge. Data from Alberta Environment's stations are now available in real-time to the public through an automated phone system and a recently developed on-line reporting system (www.gov.ab.ca/env/air/airqual/monitor.html) which cost $23,000 to develop.
- The Alberta Environment Mobile Air Monitoring Laboratory (MAML) conducted 10 air quality surveys during 109 days. Alberta Environment also conducted four reconnaissance surveys.
- In partnership with the City of Lethbridge, a new air quality station has been built and will be operational in the summer of 2002 at a cost of over $200,000.
- The Ministry entered into the Fort Air Partnership which now assumes operational responsibility for Alberta Environment's ambient air quality monitoring station in Fort Saskatchewan.
- Jointly with the Alberta Energy and Utilities Board, a new interim directive removes the grandfathered status of older sour gas plants and requires higher levels of sulphur recovery in subsequent years.
- On June 15, 2001, tougher emission standards were set for new coal-fired power plants in Alberta replacing the 1993 Canadian Guidelines. In addition to revising current emission standards, a process was launched, in consultation with the public and industry, to look at a new approach for standards for coal-fired plants after 2005.
- Alberta adopted the Canada-wide Standard for Benzene - Phase 2 along with other jurisdictions in Canada in June 2001. Alberta's Progress Report on Phase 1 showed benzene emissions from industry and mobile sources in Alberta have been reduced by 50 per cent, well beyond the 30 per cent required by the standards.
- Results from the Alberta Ethylene Crop Research Study on the effects of ethylene exposure on agricultural crops in Alberta were made public January 2002. Over a five-year period, Alberta Environment co-led the project with industry and contributed $220,000 towards the $1 million multi-stakeholder study.

Waste

- The Ministry spent over $3 million on the Waste Management Assistance Grant Program to assist municipalities in establishing regional waste management systems. A total of 10 municipalities' systems were assisted by this program. This funding resulted in the replacement and closure of open dumps and modified landfills with modern, environmentally safe waste disposal infrastructure.
- The Alberta Pesticide Container Collection Program had its best collection year since the program began in the late 1970's. Approximately 1.3 million empty pesticide containers were diverted from landfills and disposed of in an environmentally-sound manner.

Summary of Key Activities in the Past Year – cont'd

Information, Consultation and Education

- Under the Innovations Branch, Action on Waste worked with industry, municipalities, universities, schools and hospitals to develop new voluntary programs for waste reduction and deliver the Household Hazardous Waste Program. It begins to meet a new target of 500 kg/capita of waste which represents a 30 per cent reduction by 2010.
- In 2001, the Government of Alberta formed a Public Education and Outreach (PEO) Regional Hub to co-ordinate outreach activities in the province. The Hub will implement PEO activities regionally: identify and co-ordinate local partners in hub activities; record and share knowledge on pilot programs, and link up for learning through the national hub and advisory group. Staff also participated in the Public Education and Outreach Hub of Climate Change Central to help encourage educational initiatives on the issue of climate change in Alberta.
- Training sessions were facilitated for Environmental Assessment Branch staff involved in the environmental assessment process.
- The Ministry of Environment and Sustainable Resource Development's Information Centre provided the following services to a total of 29,109 members of the public, both within and outside Alberta, during fiscal year 2001-2002:
  - responded to 6,396 e-mail requests on Ministry programs,
  - handled 44,184 telephone calls,
  - served 7,253 walk-in visitors, and
  - distributed 13,374 Ministry publications.
- Workshops on climate change and energy efficiency were held for staff in Alberta Environment, Alberta Sustainable Resource Development, Alberta Energy, Alberta Agriculture, Food and Rural Development, Alberta Infrastructure, Alberta Municipal Affairs, and Alberta International and Intergovernmental Relations.
- Workshops for teachers were delivered across the province on various environmental topics including wetlands, waste reduction, climate change and water quality.
- In February 2002, the Alberta government led by Alberta Environment, partnered with industry and educational institutions to hold an industrial ecology conference in Banff. One hundred participants engaged in an open forum to discuss diverse topics and share ideas about sustainable development.

Summary of Key Activities in the Past Year – cont'd

Environmental Hazard Management

- Environmental monitoring, reclamation planning and public safety measures at the former Smoky River Coal Ltd. mine site continued over the past year. To date, the Ministry has spent $1 million on the former mine site. Funding was provided by reclamation security deposited in the Environmental Protection and Enhancement Fund.
- Flooding was prevented along the Little Paddle and Paddle River when the Paddle River Dam was operated to maximum tolerable limits, by holding the floodwaters within the reservoir and keeping the river flows downstream within the dikes. This was accomplished by operating the dam 24 hours a day in late July and early August 2001.
- Central Region staff mitigated the impacts of severe drought conditions in central and eastern Alberta last summer. Emergency pumping of water to the communities of Holden, Bruce and Waskatenau ensured secure water supplies to the Towns of Alix and Mirror via the Buffalo Lake project and to the Town of Barrhead via the Paddle River Dam.
- Responded to three emergencies: the Duralite Fire (Calgary), the Hazco Fire (Calgary) and the Gas Well Blowout (Enchant). Staff, in consultation with local emergency response personnel, provided support and expertise to help mitigate the situations.
- Provided flood risk information to people through the development of Flood Risk Maps, which identify flood risk areas for major Alberta communities, and through the delivery of a real-time Flood Forecasting Service. Program details can be found at www.gov.ab.ca/env/water/ws/advisories.
- Alberta Agriculture, Food and Rural Development, Alberta Environment and the Prairie Farm Rehabilitation Administration monitored drought conditions and provided mitigation advice under the Agriculture Drought Risk Management Plan.
- Operated a number of storage reservoirs across the province for the purpose of capturing and storing runoff during high runoff period for delivery during drought conditions.
- The Ministry operates 12 snow pillow sites in southwest and central Alberta. Snow water supply estimates from these sites are supplemented by monthly snow surveys for both the mountain and plains areas during the January to June period. This data is published monthly in a Water Supply Report that can be found at www.gov.ab.ca/env/water/ws/watersupply/may2002/mayTOC.html.
- Developed and implemented phase one contamination assessment requirements for upstream oil and gas activities. This requirement helps industry evaluate the potential for contamination at upstream oil and gas sites before applying for a reclamation certificate.
- Completed an update of the Risk Management Guidelines for Petroleum Storage Tank Sites. The 2001 guideline document updated the remediation objectives to incorporate federal and provincial initiatives addressing hydrocarbon contamination.

Summary of Key Activities in the Past Year - cont'd

Compliance

- The Government of Alberta conducted 5,441 proactive compliance assessments. Court penalities resulted in fines of approximately $585,000, while approximately $170,000 was levied in administrative penalty assessments.
- Ninety-five per cent of all planned drinking water facility inspections were conducted and inspection reports issued in the Southern Region.
- Operation Metal Plate was a major inspection and education program for metal platers in Edmonton. This cooperative initiative with the City of Edmonton included the inspection of 27 companies, resulting in 18 notices of non-compliance. Twelve companies are subject to enforcement response, including four major enforcement actions.
- Operation Cygnet, another random inspection program, focused on educating companies storing hazardous waste in the City of Grande Prairie. The program included cooperative work with the City of Grande Prairie and Alberta Infrastructure (Transportation of Dangerous Goods). Of the more than 290 industrial businesses inspected over a five day period, 39 notices of non-compliance were issued for infractions ranging from no secondary containment for hazardous waste to inadequate records.
- An operational guideline was developed for the internal handling of Upstream Oil and Gas Substance Release Notifications and handling of Petroleum Storage Tank Notification and Reporting. This guideline helped improve the efficiency and conformity of addressing these issues.
- An automated application to enable electronic reporting of drinking water quality monitoring information from approved waterworks and assessment of compliance with approval conditions was developed. The cost of this project totaled $710,000.
- An automated system to enable electronic submission of Continuous Emissions Monitoring data and assess compliance with approval conditions was developed at a cost of $428,000.
- A creative sentencing initiative was undertaken to formalize a structured approach for using alternative sentencing measures for court penalties arising from investigations. A set of guiding principles was identified to support specific goals in formalizing and advancing the use of creative sentencing for environmental offences.
- A Crime Stoppers Partnership initiative allowed investigative staff to take advantage of mainstream media for information about environmental crimes in the same manner as other enforcement agencies. This partnership proposal represents a "first" for Alberta Environment and Crime Stoppers.
- The document Prairie Oil and Gas: A Lighter Footprint, was developed and delivered to Weed Awareness in Reclamation. The document provides stakeholders with a clearer understanding of regulatory requirements for reclamation.
- On June 25, 2001, an Environmental Protection Order (EPO) was issued to Imperial Oil Ltd. and Devon Estates Ltd. for the complete delineation and clean-up of Lynnview Ridge, formerly occupied by the Calgary Imperial Oil Refinery.

Summary of Key Activities in the Past Year - cont'd

Approvals and Assurance

- The Environmental Assessment process is a cross-ministry, multi-service function led by Alberta Environment. The process reviewed 24 major development projects representing more than $25 billion in capital investment in 2001-2002. Many of these were oilsands developments. Special funding of $3 million was issued to help provincial Ministries (Alberta Environment, Alberta Sustainable Resource Development, and Alberta Health and Wellness) deliver the regulatory services for projects, including the review of thermal (coal fuelled) electrical power projects.
  - Environmental Impact Assessment (EIA) report requirements were issued for seven major projects, including one thermal power project (Fording) and six oil sands projects.
  - EIA reports were completed for five major projects, including two thermal power projects (EPCOR Genesee and TransAlta Keephills).
  - Preparation and review of activities for EIA projects that were initiated prior to April 1, 2001.
  - The Lafarge cement plant fuel substitution project screening process, which determined that an EIA report is not required, was completed.
- The Alberta Energy and Utilities Board coordination group and the Regulatory Assurance Division (RAD) supported the Power Steering Group, guiding and resourcing numerous strategic initiatives for effective regulatory and policy action on electricity issues. The RAD also provided internal support on standard setting for climate change, environmental assessment and acid deposition management.
- Alberta Environment implemented the Laboratory Data Quality Assurance (LDQA) Policy to ensure that laboratory data submitted is accurate and reliable. This information includes monitoring data obtained from the analysis of air, water, waste water, waste, soil and other samples by analytical laboratories. This policy was developed over a two-year period in consultation with stakeholders.

Resource Management

- Under the direction of the Regional Steering Group, the Northern East Slopes Strategy completed the first two phases of its four-phase study. The completed phases include public and aboriginal consultation and the identification of a vision, values and goals for the region.
- The Integrated Resource Management (IRM) Branch completed a framework for *Regional Strategies for Resource and Environmental Management*. The framework sets out the basis for developing Regional Strategies for the province.
- IRM hosted the Federal/Provincial Committee on Land Use meeting in September 2001. Seven of Canada's provinces met in Kananaskis to discuss sustainable land use.

Summary of Key Activities in the Past Year - cont'd

Intergovernmental

- A multi-departmental initiative was created, with support from Alberta Agriculture, Food and Rural Development and the federal government, to site and operate 11 monitoring stations to forecast drought. Alberta Environment will operate these stations.
- Alberta Environment, together with the Natural Resources Conservation Board and Alberta Sustainable Resource Development, supported the development of a "one-window" regulatory approach for livestock operations under the *Agricultural Operations Practices Act*, *Water Act*, *Public Lands Act* and the *Environmental Protection and Enhancement Act*.
- The Ministry is involved in the Northern Rivers Ecosystem Initiative which is a co-operative, five-year endeavor by three governments (Canada, Alberta and Northwest Territories) to address the recommendations of the Northern River Basins Study.
- The Alberta Environmentally Sustainable Agriculture (AESA) program includes a long-term water quality monitoring program for 23 streams in agricultural areas. Initiated in 1997, AESA Stream Study is co-operated by Alberta Agriculture, Food and Rural Development, Alberta Health and Wellness, and Agriculture and Agri-Food Canada.

Corporate Services and Technology

- Financial Operations implemented ExClaim2, the Government of Alberta automated expense claim processing system. This web-enabled system has reduced the time required to create, approve and pay employee expense claims.
- Information Technology and the Alberta Corporate Service Centre provided support to both Alberta Environment and Alberta Sustainable Resource Development, avoiding duplicate management and administration of Information Technology.
- An Internet-ready project was initiated, developing appropriate and effective use of the web to conduct electronic business processes in the Ministry. An incident tracking process was the subject of this project. In 2001-2002, two major Alberta companies and the cities of Edmonton and Calgary began a trial of filing incident reports and accessing information on the status of their reports using the Internet.
- The Freedom of Information and Protection of Privacy Office initiated the Co!!ection, Handling & Disclosure of Information project. This project is focused on broadening the categories of records that are available to the public, and promoting active and routine disclosure of information.

Major Project Reviews Map

Project Index

1. TrueNorth Energy Oil Sands Mine
2. OPTI Canada In-situ Project
3. Conoco Canada Surmont In-situ Project
4. Encana Foster Creek In-situ Project (Phase 2 & 3)
5. CNRL Wolf Lake Primrose In-situ Project
6. Glacier Power Ltd. Dunvegan Project
7. Shell Jackpine Oilsands Project
8. Petro Canada Refinery Upgrader
9. Fording Coal Ltd. Mine and Power Plant
10. Petro Canada Meadow Creek In-situ Project
11. Petro Canada Lewis In-situ Project
12. Blackrock Hilda Lake In-situ Project
13. Little Bow - Highwood Project
14. JACOS In-situ Oil Sands Project
15. *TransAlta Thermal Power Expansion Project*
16. *EPCOR Genesee Thermal Power Expansion*
17. Grande Cache Coal Processing, U/G Mine
18. Rio Alto Kirby Project
19. Imperial Oil Mahihkan and Nabiye
20. CNRL Horizon Oilsands Project
21. Suncor Voyageur Project

Projects in italics:

- *Environmental Impact Assessment hearings recently completed, approvals being prepared.*

Future Challenges

Alberta Environment manages the use of Alberta's diverse landscapes to sustain a healthy environment, a prosperous economy and strong communities. We are committed to protecting the province's air, land, and water. We also strive to be a leader in addressing climate change and waste management. Central to our mandate is the protection of the environment and the protection and management of water resources. When making decisions we always search for the right balance between preserving, protecting and using natural resources. In the end, we are accountable to Albertans and the regulated community, who we see as partners in protecting and enhancing Alberta's natural environment.

The greatest challenges we share together with our partners are:

- having a healthy and sustainable water supply for the environment, our communities and our economic well-being. Alberta is facing a number of pressures on its water resources. The development and implementation of a clear strategy to ensure we have an effective and sustainable way of conserving, managing and protecting water supplies is both a challenge and a solution that Albertans face today.
- taking responsible action to manage the risks of climate change, while ensuring that we maintain our competitiveness - the source of our prosperity.
- managing the many demands on the environment while integrating industry, government and public uses of Alberta's land and resources.

Environmental management is a collaborative effort with citizens, organizations and governments. It takes a whole community to protect a whole environment.

AUDITOR GENERAL *Alberta*

Report of the Auditor General On The Results of Applying Specified Auditing Procedures To Performance Measures

To the Members of the Legislative Assembly:

I have performed the following procedures in connection with the Ministry of Environment's performance measures included in the *2001-2002 Annual Report of the Ministry of Environment* as presented on pages 31 to 41.

1. Information obtained from an independent source, such as Statistics Canada, was agreed with the information supplied by the stated source. Information provided internally was agreed to the reports from the systems used to develop the information.
2. The calculations which converted source information into reported measures were tested.
3. The appropriateness of the description of each measure's methodology was assessed.

As a result of applying the above procedures, I found no exceptions. However, these procedures do not constitute an audit, and therefore I express no opinion on the performance measures included in the *2001-2002 Annual Report of the Ministry of Environment*.

Fred J. Dunn

CA
Auditor General

Edmonton, Alberta
August 2, 2002

Ministry Performance Measures

Alberta Environment (AENV) uses an internationally recognized tier system of indicators and measures similar to other jurisdictions. Environmental Indicators measure key aspects of Alberta's environment. Behavioural Indicators measure Albertans' interaction with the environment. These measures are reported here and demonstrate the progress toward achieving business plan goals and objectives.

In the 2001-2004 business plan, the following indicators and measures were identified:

- Air Quality Index
- Surface Water Quality Index
- Drinking Water Quality Indicator
- Reduction of Municipal Solid Waste to Landfills
- Pulp Production Versus Amount of Biochemical Oxygen Demand Discharged
- Government of Alberta Greenhouse Gas Emission Profile
- Alberta Organizations Energy Productivity Improvements

These seven indicators and measures reflect AENV's mandate. Several are also included as Government of Alberta performance measures in the report *Measuring Up 2002*.

The Ministry continues to improve its measurement system and is committed to providing this information in easily accessible formats, including on its web site at www.gov.ab.ca/env.

Air Quality Index

Supports Government Goals 1 and 17

A key environmental concern of Albertans is the quality of air we breathe. Ensuring the protection of Alberta's clean air is paramount to maintaining our health and quality of life. Poor air quality may also have negative effects on crop quality and production. The air quality index provides an indication of the quality of air in Alberta throughout the year. Air quality is influenced by a number of factors including vehicle emissions, weather patterns and intensity of industrial development.

Data

The air quality index is a measure of outdoor concentrations of five major air pollutants (carbon monoxide, dust and smoke, nitrogen dioxide, ozone and sulphur dioxide) monitored at nine stations (three in both Edmonton and Calgary and one station in each of Red Deer, Fort Saskatchewan and Beaverlodge) across the province.

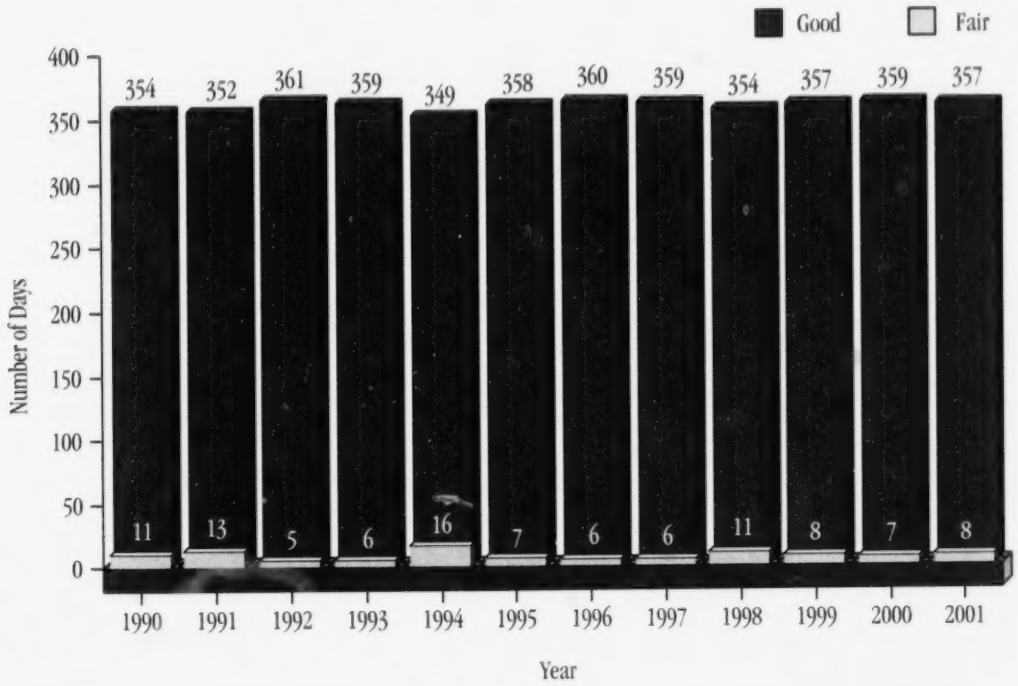
Target

Maintain air quality levels that are considered good or fair at all times.

Results

Figure 1 shows that the target was achieved, all "24-hour days" were considered good or fair in 2001.

Figure 1 Air Quality Days



Surface Water Quality Index

Supports Government Goals 1, 7, 15, 16, 17 and 18

Data

The surface water quality index is used to evaluate water in Alberta's major river systems with respect to four groups of variables: metals, bacteria, nutrients and pesticides. Results from these four groups are combined to provide an indication of overall water quality. River water quality is reported because the effects of human activities are generally more evident in rivers than in lakes. The index can be used to show relative differences in water quality between different rivers, between sites on the same river (e.g. upstream and downstream from cities), and over time.

Data for the surface water quality index are collected monthly at a number of locations throughout the province. These stations make up the provincial Long-term River Network (LTRN). Stations upstream and downstream from agricultural, industrial, or municipal areas are compared to examine the impact of these developments on river water quality. Index values for a sub-set of these stations from the province's six major river systems show changes in water quality that have occurred over the past four years (Table 1).

Target

Bring river quality downstream of developed areas in line with upstream conditions, while maintaining overall river water quality.

Results

In 2000-2001, the quality of Alberta's major rivers was "good" to "excellent". However, water quality tends to be poorer downstream from areas with significant urban, industrial, or agricultural development. River water quality is generally better in the west, near its mountain source.

Improvements to municipal wastewater treatment systems are reflected by improved index values downstream of some of Alberta's major cities. One such recent improvement is shown downstream of Edmonton (Table 1). In some cases, the 2000-2001 water quality index results for both upstream and downstream sites are better than those for the previous year. These improved scores can be explained in part by the dry conditions experienced that year. Less rain and snowmelt resulted in less surface runoff and therefore less movement of contaminants from the land to the water. The index will respond to any activity that changes water quantity or affects inputs from either point (discrete) or non-point (diffuse) sources of contaminants.

Surface Water Quality Monitoring Stations Map

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Surface Water Quality Index - cont'd

Supports Government Goals 1, 7, 15, 16, 17 and 18

Table 1 Alberta Surface Water Quality Index

Categories for Index:

96-100	Guidelines almost always met (Excellent)
81-95	Guidelines occasionally not met, but usually by small amounts (Good)
66-80	Guidelines sometimes not met by moderate amounts (Fair)
46-65	Guidelines often not met, sometimes by large amounts (Marginal)
0-45	Guidelines almost always not met by large amounts (Poor)
n/a	Overall score not provided because no pesticide data were available

	1997-98	1998-99	1999-00	2000-01	Comments
Bow River					
Upstream of Calgary	100	97	97	99	Water quality is better upstream of Calgary than downstream.
Downstream of Calgary	87	82	84	89	Upgraded municipal wastewater treatment, including full disinfection (1997) has resulted in improved conditions downstream.
North Saskatchewan River					
Upstream of Edmonton	97	93	86	89	Conditions downstream of Edmonton have improved due to upgraded wastewater treatment (1998) which has reduced the levels of bacteria in the river.
Downstream of Edmonton	71	80	81	85	
Oldman River					
Upstream of Lethbridge	83	89	97	95	Water quality is better upstream of Lethbridge than downstream. There are greater numbers and concentrations of pesticides at the downstream site than the upstream site.
Downstream of Lethbridge	84	80	86	91	
Red Deer River					
Upstream of Red Deer	n/a	83	87	90	Water quality is slightly better upstream of Red Deer than downstream. There are higher nutrient concentrations downstream than there are upstream.
Downstream of Red Deer	n/a	81	75	87	
Smoky/Peace River					
at Watino	83	91	90	93	Conditions remain good at both sites. Nutrients and metals occasionally do not meet guidelines.
at Fort Vermilion	89	94	86	93	
Athabasca River					
at Athabasca	92	90	91	97	Index values have improved slightly at Athabasca, perhaps reflecting decreased runoff due to drier conditions.
at Old Fort	90	95	91	94	

Surface Water Quality Index - cont'd

Supports Government Goals 1, 7, 15, 16, 17 and 18

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Categories for Index:

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Upstream of Edmonton	97	93	86	89	Conditions downstream of Edmonton have improved due to upgraded wastewater treatment (1998) which has reduced the levels of bacteria in the river.
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Oldman River					
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Athabasca River					
at Athabasca	92	90	91	97	Index values have improved slightly at Athabasca, perhaps reflecting decreased runoff due to drier conditions.
at Old Fort	90	95	91	94	

Drinking Water Quality Indicator

This measure is an indicator of Alberta Environment's performance in ensuring safe drinking water to the province using *Environmental Protection and Enhancement Act* (EPEA) approved waterworks systems. The EPEA Activities Designation Regulation defines waterworks systems that require an approval under EPEA. Not all waterworks systems require an EPEA approval.

The Canadian Drinking Water Guidelines are used to determine the parameters and frequency of testing. A non-compliance reporting of chlorine residual, turbidity measurement, or bacteriological quality would show a potential existence of unsafe potable water. Drinking water quality performance measure was first assessed in 2001. Full reporting on this performance measure will begin in the 2002-2003 fiscal year.

Reduction of Municipal Solid Waste to Landfills

Supports Government Goals 1, 15, and 17

Data

This measure charts the Ministry's efforts to work with Albertans to encourage less waste.

The Ministry's role has been to provide technical and financial assistance to municipalities for waste management and recycling infrastructure, as well as training, education and general awareness about waste management options and opportunities.

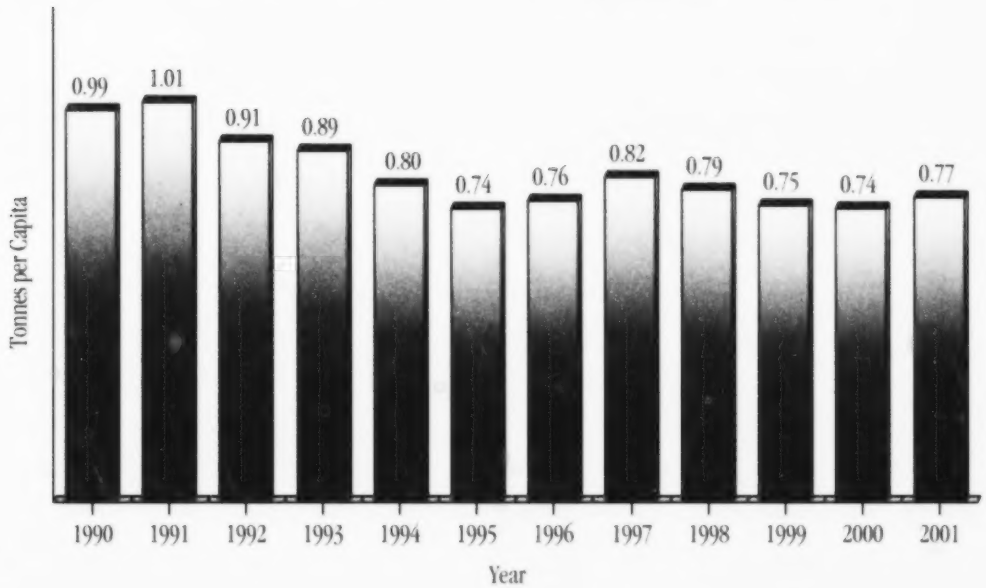
Target

Continuous reduction of municipal solid waste going to landfills on a per capita basis.

Results

Figure 2 shows a relatively steady reduction in landfill waste from 1990 to 2001. The amount of municipal solid waste disposed per capita is three per cent higher in 2001 than in 2000. The upward fluctuations in 1996, 1997 and 2001 are generally a reflection of increased economic and construction/demolition activity.

Figure 2 Reduction of Municipal Solid Waste to Landfills



Pulp Production Versus Amount of Biochemical Oxygen Demand Discharged

Supports Government Goals 1, 15, and 17

Data

This measure is one indicator of Alberta Environment's performance in protecting aquatic ecosystems and shows continuous improvement by industry.

Oxygen is required in the biochemical breakdown of organic matter in pulp mill wastewater. To help control the amount of substances released into aquatic ecosystems, pulp mills are issued approvals which restrict the amount of organic matter (measured as biochemical oxygen demand (BOD)) that can be released into river water.

Alberta's average maximum allowable BOD is based on criteria for both water quality and best available demonstrated technology.

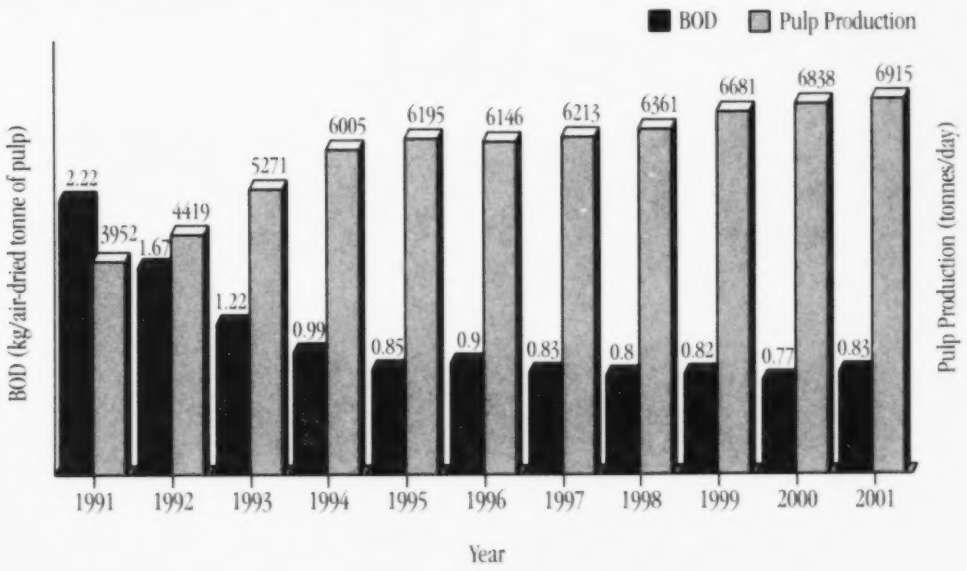
Target

Biochemical oxygen demand (BOD) discharged for 2001 does not exceed 1.0 kilograms/air-dried tonne of pulp.

Results

Figure 3 demonstrates the continuous improvement of pulp mills in reducing the amount of organic matter in waste water generated from the production of pulp, throughout a time of increasing production. Historical data confirms the amount of BOD released per tonne of pulp has dropped substantially over the past 10 years. The current average standard for BOD levels is 3.0 kilograms/air-dried tonne of pulp. The performance measure shows industry success in achieving reductions greater than target levels.

Figure 3 Pulp Production versus Amount of Discharge



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Government of Alberta Greenhouse Gas Emission Profile

Supports Government Goals 7, 16 and 17

Data

Actions to reduce greenhouse gas (GHG) emissions stem from three main focus areas for the Alberta government. These areas include government-owned buildings, waste by employees and government-owned/leased vehicles.

Only emissions from "core" government activities are included in this measure (i.e. activities by Ministries). Further, buildings that are leased by the Government of Alberta are not tracked under this measure (due to data access issues, limited ability to invest in emission reduction activities, etc.).

Target

To reduce greenhouse gas emissions to 14.7 per cent below 1990 levels by 2000. In 1990, emissions were 549 kilotonnes of CO_2 equivalent.

Results

The Alberta government continues to reduce its overall emissions and has consistently exceeded its annual targets. In fiscal year 2000-2001 emissions of CO_2 equivalent were 433 kilotonnes (or 21 per cent) below 1990 levels. The reductions exceed our 2000-2001 target by 46 kilotonnes.

It is important to note that a portion of the reductions experienced with government-owned buildings in 2000-2001 can be attributed to a modest decline in occupied building space over the year. However, energy use (and thus emissions) per square metre of government-owned building space did decline over the same period.

Table 2 Alberta Government Baseline, Targets and Actual Figures for Greenhouse Gas Emissions

Emission Source	Kilotonnes of C02 Equivalent*										
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Buildings											
Baseline	463	463	471	463	495	492	492	492	492	492	492
Target							481	472	463	453	443
Actual							456	429	412	401	392
Transportation											
Baseline	63	67	67	58	60	50	41	35	36	36	35
Target							38	30	30	29	28
Actual							35	35	35	33	31
Waste											
Baseline	22	22	19	18	15	13	13	13	13	13	13
Target							12	11	10	9	8
Actual							11	11	9.8	9.4	10
Totals**											
Baseline	549	552	557	539	570	555	546	540	541	540	540
Target							531	513	502	491	479
Actual							502	475	457	444	433

* In 2001, the 1990-2000 figures were modified to factor in methodological changes. As such, the data in this table will differ from information presented in previous years.

** Columns may not add up due to rounding.

Alberta Organizations Energy Productivity Improvements

Supports Government Goals 7, 9 and 17

Data

The measure uses annual data obtained from the Voluntary Challenge and Registry Inc. (VCR) to determine how many action plans have been filed by Alberta organizations throughout a given year.

Organizations that are operating in Alberta who do not have headquarters in the province are not listed as Alberta organizations.

Target

To see continued increase in the number of action plans registered with Voluntary Challenge and Registry Inc.

Results

The cumulative number of action plans in 2001 was 157, four fewer than the previous year. While new participants may have joined during the year, the number of Alberta organizations who are no longer a part of the program exceeded this number. Sources of the decline may include mergers and head office moves out of Alberta. Participation is still almost triple that experienced in 1995. VCR is a voluntary program, thus the Alberta government has no direct control of this measure.

Table 3 Cumulative Number of Submitted Action Plans from Alberta Companies to VCR Inc.

Year	1995	1996	1997	1998	1999	2000	2001
Number of Action Plans	55	83	103	132	161	161	157

Government of Alberta Greenhouse Gas Emission Profile

Supports Government Goals 7, 16 and 17

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Data Sources and Methodology

Air Quality Index

The measure is based on data collected from nine continuous monitoring stations across the province - three stations in both Edmonton and Calgary, and one station in each of Red Deer, Fort Saskatchewan and Beaverlodge. The data from these stations is used to calculate the Index of Quality of Air (IQUA) every hour. The IQUA is based on outdoor concentrations of five major air pollutants (carbon monoxide, dust and smoke, nitrogen dioxide, ozone and sulphur dioxide). The concentration of each pollutant is converted to an IQUA number, and the highest number is the IQUA for that station. IQUA ratings are divided into Good, Fair, Poor and Very Poor categories. These categories are derived using formulas based on air quality guidelines of the *Environmental Protection and Enhancement Act* and the National Air Quality Objectives.

The "24-hour day" referred to in the measure is not a specific calendar day where the air quality was, for example, rated "fair" all day long. The calculation of the "24-hour day" is done by adding all the hours throughout the entire year that were, for example, "fair" hours and then dividing by 24 to get the number of "fair" days.

Surface Water Quality Index

Water samples are collected monthly at two locations for each of the province's six major river systems. An index value is calculated for each of the following four variable groups collected between April and March, representing both a fiscal and a "water" year:

- Metals (up to 22 variables measured quarterly),
- Nutrients (six variables measured monthly, includes oxygen and pH),
- Bacteria (two variables measured monthly), and
- Pesticides (up to 17 variables measured four times during spring and summer).

Index values for the four variable groups are then averaged to produce an overall index of surface water quality that can be tracked over time. The formula used to calculate index values for each group is based on three statistical attributes of water quality with respect to desirable levels (defined by water quality guidelines in most cases):

- Scope - the total number of water quality variables that do not meet guidelines,
- Frequency - the number of individual measurements for all variables combined that do not meet guidelines, and
- Amplitude - the amount by which measurements do not meet guidelines.

Variables in the first three groups (metals, nutrients and bacteria) are compared to guidelines listed in Surface Water Quality Guidelines for Use in Alberta. Where a number of guidelines exist for one variable, the guideline for the most sensitive use (recreation, agriculture or the protection of aquatic life) is chosen. Drinking water guidelines are not considered, since surface water should not be used for drinking without first being treated.

Variables in the fourth group (pesticides) are evaluated based on whether or not they can be detected in a water sample. This conservative approach was adopted because some pesticides do not yet have official guidelines and unlike metals, nutrients and bacteria, do not occur naturally in the environment.

Reduction of Municipal Solid Waste to Landfills

The method used to calculate the annual waste reduction statistic was developed by the Canadian Council of Ministers of the Environment (CCME). The method is based on the use of measured amounts of material sent for disposal at landfills with weigh scales. Waste statistics are calculated for both urban and rural areas and a composite statistic for the province is calculated using population estimates provided by Alberta Municipal Affairs.

Data Sources and Methodology - cont'd

Pulp Production Versus Amount of Biochemical Oxygen Demand Discharged

Data is derived from the discharge-monitoring component of the Ministry's Environmental Management System (EMS). The seven pulp mills submit monthly monitoring data that is entered into the EMS system. The biochemical oxygen demand (BOD) and pulp production data for the seven pulp mills is then extracted from the EMS. The average pulp production per day and average kg BOD released per day is calculated for each of the seven pulp mills for a given year. The average for all seven mills is added to provide the total average pulp produced per day for all mills (A). The total average kg BOD released per day for all mills are also added together (B). This number (B) is then divided by the total average pulp produced per day (A) to arrive at the average kg BOD released per air-dried tonne of pulp produced.

Government of Alberta Greenhouse Gas Emission Profile

Greenhouse gas emissions are calculated by multiplying annual energy usage (i.e. cubic meters of natural gas and electricity directly tracked by Alberta Infrastructure or through estimations using information tracked by other departments, such as the number of government vehicles) by an emissions factor. With the exception of electricity and waste, emissions are based on Environment Canada data published through the Voluntary Challenge and Registry Program.

All greenhouse gas emissions reported for this measure are based on the best available data.

Canada's greenhouse gas inventory for 1990-1999, prepared by Environment Canada, was adjusted in 2001 to reflect revised methods for estimating nitrous oxide from agricultural soils and to factor in updated fuel combustion-related emissions factors for methane and nitrous oxide. The changes in emissions data are the result of improved or new data and better scientific understanding of emission sources in Canada. For example, previous methane and nitrous oxide emission factors for fuel combustion were developed in the early 1990s. A review of literature was made for new data on emission factors to ensure that the most up-to-date factors are used. The result of the recalculation has been a relative shift of the data from 1990-1999 so national emissions trends experienced over that period have not been impacted. This change is consistent with international reporting guidelines.

Alberta Organizations Energy Productivity Improvements

Data is obtained from the Voluntary Challenge and Registry Inc. (VCR). VCR's mandate is to provide the means for promoting, assessing and recognizing the effectiveness of the voluntary approach in addressing climate change.

Only organizations that have head offices located in Alberta are included in this data.

Analysis of Financial Results

Results of Ministry Operations

The Ministry revenues in 2001-2002 were $7.2 million, an increase of $0.3 million from 2000-2001. The Ministry expenses were $124.4 million, an increase of $18.2 million from 2000-2001. The total Ministry operations had a net operating loss of $117.2 million, compared with a net operating loss of $99.3 million in 2000-2001.

Ministry Revenues

Internal Government Transfers, providing $4.0 million, was the largest source of revenue for the Ministry. Fees, Permits and Licences provided $2.0 million. The Federal Government contributed $0.2 million through transfer payments. Various Other Revenue sources generated $1.0 million.

Ministry Revenues - Comparison of 2001-2002 Actual to 2001-2002 Budget

Revenues were $2.2 million lower than budgeted due to the following:

- $3.5 million decrease in Internal Government Transfers,
- $0.7 million increase in Fees, Permits and Licences, and
- $0.6 million increase in various Other Revenue.

Ministry Revenues - Comparison of 2001-2002 Actual to 2000-2001 Actual

Revenues increased by $0.3 million from the previous year due to the following:

- $0.2 million increase in Internal Government Transfers,
- $0.2 million increase in Fees, Permits and Licences, and
- $0.1 million decrease in various Other Revenue.

Ministry Expenses - Comparison of 2001-2002 Actual to 2001-2002 Budget

Expenses were $0.7 million more than budgeted:

- Environmental Sciences required an additional $2.1 million,
- Climate Change incurred additional expenses of $3.2 million,
- Water Management required an additional $1.1 million,
- Land Reclamation Program had a surplus of $2.7 million,
- There was a $2.0 million surplus in the regions due to provisions for nominal sum disposals that did not occur, and
- Environmental Assessment and Compliance incurred $1.0 million less than budget.

Analysis of Financial Results - cont'd

Ministry Expenses - Comparison of 2001-2002 Actual to 2000-2001 Actual

Expenses increased by $18.2 million from the previous year:

- Environmental Sciences spent $8.9 million more than last year,
- Climate Change incurred $4.7 million more than last year,
- Environmental Assessment and Compliance incurred $4.6 million more than last year,
- Regulatory Approvals spent $1.5 million more than last year,
- Other program areas resulted in a net increase in expenses of $0.2 million, and
- Environmental Operations spent $1.7 million less than last year.

Ministry Expense by Core Business

(in thousands)

Core Business	2001-2002 Budget	2001-2002 Actual	2000-2001 Actual
Environmental Management	116,235	120,366	102,330
Environmental Hazard Management	7,500	4,016	3,812
Total Ministry Expense	123,735	124,382	106,142

AUDITOR GENERAL *Alberta*

Report of the Auditor General

To the Members of the Legislative Assembly:

I have audited the statement of financial position of the Ministry of Environment as at March 31, 2002 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the management of the Ministry. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Ministry is required to follow the corporate government accounting policies and reporting practices established by Alberta Finance, including the following policies that are exceptions from Canadian generally accepted accounting principles:

Site Restoration Costs

A provision for the future costs of site restoration has been disclosed for the Swan Hills waste treatment plant as described in Note 7 to these financial statements. However, numerous other sites exist where the Ministry is responsible for site restoration. Management has identified sites that are owned by the government and for which the Ministry is responsible for site restoration. The cost to restore these sites is estimated to be $14.7 million. For these identified sites, no liability has been recorded. As a result, liabilities are understated and net assets overstated by $14.7 million. In addition, there are a number of other sites not owned by the government for which the Ministry may be responsible for site restoration. These financial statements do not disclose the Ministry's liability for the restoration of the sites not owned by the government.

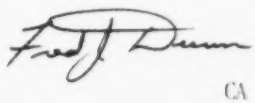
Capitalization of Assets

Capital assets costing less than $15,000 are expensed in the year acquired and have not been recognized as an asset in the accompanying statement of financial position. Consequently, the annual amortization of these assets has not been recognized in the statement of operations. In my opinion, an amount estimated to be at least $9 million, representing the net book value of the department's unrecorded capital assets as at March 31, 2002, should be recognized in these financial statements. The effect of this understatement of assets on expenses cannot reasonably be determined.

In my opinion, except for the effects of the matters discussed in the preceding paragraphs, these financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Report of the Auditor General - cont'd

I also report that the provisions described in Notes 6 and 7 of these financial statements have not been recognized in the statement of financial position. The two provisions and their associated expenses relate to monitoring and reclamation activities at the Swan Hills waste treatment plant. In the current year, these provisions are recognized in the financial statements of the Ministry of Sustainable Resource Development. The expenses related to these provisions are recognized in both the Ministries of Environment and Sustainable Resource Development. In my opinion, it is uncertain in which ministry's financial statements these provisions and associated expenses should be recognized. The government intends to resolve this uncertainty in the coming year.



CA
Auditor General

Edmonton, Alberta
May 23, 2002

Ministry of Environment

Statement of Operations

Year ended March 31, 2002
(in thousands)

	2002 Budget (Schedule 4)	2002 Actual	2001 Actual
Revenues (Schedules 1 and 2)			
Internal Government Transfers	$ 7,500	$ 4,016	$ 3,812
Transfer from the Government of Canada	178	224	299
Fees, Permits and Licences	1,227	1,947	1,704
Other Revenue	568	1,042	1,075
	9,473	7,229	6,890
Expenses - Directly Incurred (Note 2b and Schedule 8)			
Voted (Schedules 2, 3 and 5)			
Business Sustaining Services	5,851	6,129	6,773
Policy Secretariat	3,801	3,049	3,073
Regulatory Approvals	12,709	13,554	12,017
Environmental Enforcement and Monitoring	8,861	9,136	8,457
Environmental Assessment and Compliance	6,252	5,209	646
Environmental Sciences	15,662	17,758	8,882
Environmental Operations	6,352	6,098	7,799
Climate Change	3,361	6,544	1,827
Water Management	33,176	34,279	34,299
Integrated Resource Management	588	1,474	2,035
Environmental Education	746	1,373	762
Environmental Appeal Board	934	921	899
Amortization of Capital Assets	15,843	14,751	14,663
Nominal Sum Disposals	2,000	-	-
	116,136	120,275	102,132
Statutory (Schedules 3 and 5)			
Land Reclamation Program	3,750	1,056	617
Special Waste Management Program	1,000	913	1,001
Emergency Spills and Cleanups	750	876	595
Drought and Flood Emergencies	2,000	1,171	1,599
Valuation Adjustments			
Provision for Doubtful Accounts	99	64	(20)
Provision for Vacation Pay	-	27	218
	7,599	4,107	4,010
Total Expenses	123,735	124,382	106,142
(Gain) Loss on Disposal of Capital Assets	(1,160)	20	(1)
Net Operating Results	$ (113,102)	$ (117,173)	$ (99,251)

The accompanying notes and schedules are part of these financial statements.

Ministry of Environment

Statement of Financial Position

Year ended March 31, 2002
(in thousands)

	2002	2001
ASSETS		
Cash	$ 17	$ -
Accounts Receivable (Note 4)	1,117	658
Advances	41	52
Capital Assets (Note 5)	710,736	711,442
	$ 711,911	$ 712,152
LIABILITIES		
Accounts Payable and Accrued Liabilities	$ 15,479	$ 8,953
Unearned Revenue	1,007	1,031
	16,486	9,984
NET ASSETS		
Net Assets at Beginning of Year	702,168	710,319
Net Operating Results	(117,173)	(99,251)
Net Transfer from General Revenues	110,430	91,100
Net Assets at End of Year	695,425	702,168
	$ 711,911	$ 712,152

The accompanying notes and schedules are part of these financial statements.

Ministry of Environment

Statement of Changes in Financial Position

Year ended March 31, 2002
(in thousands)

	2002	2001
Operating Transactions		
Net Operating Results	$ (117,173)	$ (99,251)
Non-cash Items:		
Amortization of Capital Assets	14,751	14,663
Gain (Loss) on Disposal of Capital Assets	20	(1)
Valuation Adjustments	91	198
	(102,311)	(84,391)
Decrease (Increase) in Accounts Receivable	(523)	470
Decrease in Advances	11	3
Increase (Decrease) in Accounts Payable and Accrued Liabilities	6,499	(4,505)
Increase (Decrease) in Unearned Revenue	(24)	139
Cash Used by Operating Transactions	(96,348)	(88,284)
Investing Transactions		
Purchase of Capital Assets (Schedule 5)	(1,921)	(2,817)
Proceeds from Disposal of Capital Assets	-	1
Transfer with Other Government Entities	(12,144)	-
Cash Used by Investing Transactions	(14,065)	(2,816)
Financing Transactions		
Net Transfer from General Revenues	110,430	91,100
Cash Provided by Financing Transactions	110,430	91,100
Net Cash Provided	17	-
Cash, Beginning of Year	-	-
Cash, End of Year	$ 17	$ -

The accompanying notes and schedules are part of these financial statements.

Notes to Financial Statements
Year ended March 31, 2002
(in thousands)

Note 1

Authority and Purpose

The Ministry of Environment operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The purpose of the Ministry is the protection and enhancement of the environment and the management of Alberta's renewable natural resources (air, land and water).

The Ministry's two core businesses are Environmental Management and Environmental Hazard Management. The key goals of these core businesses are:

- to achieve sustainable development by establishing a framework for environmental management and environmental protection,
- to strengthen the Alberta Advantage through effective resource allocation,
- to ensure water infrastructure and equipment are maintained and operated effectively, and
- to prevent, reduce and mitigate hazards resulting from flood, drought, emergency spills and other pollution-related incidents.

Note 2

Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by government for all ministries. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector, are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

(a) Reporting Entity

The reporting entity is the Ministry of Environment for which the Minister of Environment is responsible. All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net transfer from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual method of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Notes to Financial Statements

Year ended March 31, 2002
(in thousands)

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity, where the entity making the transfer does not receive any goods or services directly in return.

Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending and must be shown as credits or recoveries in the details of the Government Estimates for a supply vote. If actual dedicated revenues are less than budget and total voted expenses are not reduced by an amount sufficient to cover the deficiency in dedicated revenues, the following year's voted expenses are encumbered. If actual dedicated revenues exceed budget, the Ministry may, with the approval of Treasury Board, use the excess revenue to fund additional expenses of the program. Schedule 2 discloses information on the Ministry's dedicated revenue initiatives.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

Directly incurred expenses include:

- amortization of capital assets,
- pension costs which comprise the cost of employer contributions for current service of employees during the year, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay.

Incurred by Others

Services contributed by other entities in support of the Ministry operations are disclosed in Schedule 8.

Assets

Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from employees and other organizations or individuals, as well as inventories held for resale.

Assets acquired by right are not included. Capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100 and the threshold for all other capital assets is $15. All land is capitalized.

Liabilities

Liabilities represent all financial claims payable by the Ministry at fiscal year end.

Net Assets/Net Liabilities

Net assets/net liabilities represent the difference between the value of assets held by the Ministry and its liabilities.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, advances, and accounts payable and accrued liabilities are estimated to approximate their book values.

Note 3

Government Restructuring

On March 15, 2001, the government announced new ministry structures. As a result, effective March 19, 2001, the Ministry of Environment was reorganized.

Some of the responsibilities of the Ministry remained within the Ministry of Environment. The remaining responsibilities were transferred to the Ministry of Community Development and the newly established Ministry of Sustainable Resource Development.

Comparatives for 2001 have been restated as if the Ministry had always been assigned its current responsibilities.

Net Assets, as previously reported at March 31, 2000	$ 1,081,038
Transfer to the Ministry of Community Development	(201,388)
Transfer to the Ministry of Sustainable Resource Development	(169,331)
Net Assets, as restated at April 1, 2000	$ 710,319

Note 4

Accounts Receivable

	2002			2001
	Gross Amount	Allowance For Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 1,117	$ -	$ 1,117	$ 658
	$ 1,117	$ -	$ 1,117	$ 658

Accounts receivable are unsecured and interest bearing.

Note 5

Capital Assets

		2002			2001
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
General Capital Assets:					
Equipment	3-10 years	$ 9,003	$ 8,303	$ 700	$ 679
Computer Hardware and Software	5-10 years	16,538	9,595	6,943	6,541
Infrastructure Assets:					
Land Improvements	40 years	35	1	34	45
Bridges	60 years	469	23	446	452
Dam and Water Management Structures	25-80 years	896,775	194,162	702,613	703,725
		$ 922,820	$ 212,084	$ 710,736	$ 711,442

Equipment includes office, laboratory, vehicles, heavy and mobile equipment.

Dams and water management structures include dams, reservoirs, weirs, canals, dykes, ditches, channels, diversions, cut-offs, pump houses and erosion protection structures.

Changes to capital assets were as follows:

	2002	2001
Net Book Value at Beginning of Year	$ 711,442	$ 723,288
Purchase of Capital Assets	1,921	2,817
Disposals and Write Downs	(20)	-
Transfer with other Government Entities	12,144	-
Amortization	(14,751)	(14,663)
Net Book Value at End of Year	$ 710,736	$ 711,442

Note 6

Cell Monitoring and Remediation

The Ministry is responsible for maintaining the integrity of landfill cells at the Swan Hills Waste Treatment Plant. In 2001-2002, the Ministry expensed $25 in the Special Waste Management Program to fulfill its monitoring duties. The Ministry received an internal government transfer of $25 from the Environmental Protection and Enhancement Fund to cover these expenses.

Note 7

Future Removal and Site Restoration

The Ministry of Environment funds the Provision for Site Remediation upon closure of the Swan Hills Treatment Plant. The associated liability resides within the Environmental Protection and Enhancement Fund, which is part of the Ministry of Sustainable Resource Development. This is a result of government restructuring, whereby the responsibility of Section 30 of the *Environmental Protection and Enhancement Act* is shared between the Ministries of Environment and Sustainable Resource Development; however, the Environmental Protection and Enhancement Fund entity is the responsibility of Sustainable Resource Development.

Note 8

Commitments

As at March 31, 2002, the Ministry has the following commitments:

	2002	2001
Capital Construction Contracts	$ -	$ 35
Service Contracts	8,739	2,405
Long Term Leases (a)	817	433
Grants		
Waste Management Assistance Program	1,091	2,971
Animal and Human Health Scientific Study	-	7,450
Various other programs	1,321	2,590
	$ 11,968	$ 15,884

(a) The Ministry leases certain equipment under operating leases that expire on various dates up to 2006. The aggregate amounts payable for the unexpired terms of these leases are as follows:

2003	$ 514
2004	225
2005	68
2006	10
Total	$ 817

Note 9

Contingencies

At March 31, 2002, the Ministry was named as the sole defendant in seven legal claims (2001- three legal claims). Five of these claims have specified amounts totalling $32,446, and the remaining two have not specified any amount (2001 - one claim with a specified amount of $3,300 and two with no specified amount). In addition, there are sixteen claims in which the Ministry has been jointly named with other entities (2001 - 12 legal claims). Ten of these claims have specified amounts totalling $89,527 and the remaining six claims have not specified any amount (2001 - eight claims with specified amounts totalling $75,850 and four claims with no specified amount). Thirty-one claims amounting to $699,978 and one claim with no specified amount are covered by the Alberta Risk Management Fund (2001 - twenty-two claims with specified amounts totalling $693,094 and one claim with no specified amount).

The resulting loss, if any, from these claims cannot be determined.

The Ministry also has a contingent liability with respect to future site restoration costs associated with various properties owned by the province. The Ministry recognizes these expenses in the period that site restoration work is performed.

Note 10

Trust Funds Under Administration

The Ministry administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the Ministry's financial statements.

As at March 31, 2002, trust funds under administration were as follows:

	2002	2001
Environmental Protection Security Fund	$ 2,985	$ 2,518
	$ 2,985	$ 2,518

In addition to the above trust funds under administration, the Ministry holds bank guarantees in the form of letters of credit and promissory notes in the amount of $252,555 (2001 - $233,332). The majority of these guarantees are held to assure satisfactory reclamation of coal and oil sands operations, sand and gravel pits, hazardous waste management and hazardous recyclable facilities.

Notes to Financial Statements

Year ended March 31, 2002

(in thousands)

Note 11

Defined Benefit Plans

The Ministry participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $2,643 for the year ending March 31, 2002 (2001 - $2,664).

At December 31, 2001, the Management Employees Pension Plan reported a surplus of $5,338 (2000 - $170,858) and the Public Service Pension Plan reported a surplus of $320,487 (2000 - $635,084). At December 31, 2001, the Supplementary Retirement Plan for Public Managers had a deficiency of $399 (2000 - surplus $180).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2002, the Bargaining Unit Plan reported an actuarial deficiency of $8,646 (2001 - $12,710) and the Management, Opted Out and Excluded Plan an actuarial deficiency of $2,656 (2001 - $4,583). The expense for these two plans is limited to employer's annual contributions for the year.

Note 12

Comparative Figures

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

Note 13

Approval Of Financial Statements

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Ministry of Environment

Schedule to Financial Statements

Revenues

Year ended March 31, 2002
(in thousands)

Schedule 1

	2002		2001
	Budget	Actual	Actual
Internal Government Transfers			
Transfer from Environmental Protection and Enhancement Fund	$ 7,500	$ 4,016	$ 3,812
Transfer from the Government of Canada	178	224	299
Fees, Permits and Licences			
Land and Grazing	-	47	42
Other	1,227	1,900	1,662
	1,227	1,947	1,704
Other Revenue			
Refunds of Expenditure	-	4	152
Other	568	1,038	923
	568	1,042	1,075
Total Revenue	$ 9,473	$ 7,229	$ 6,890

Ministry of Environment

Schedule to Financial Statements
Dedicated Revenue Initiatives

Year ended March 31, 2002
(in thousands)

Schedule 2

	2002		
	Authorized Dedicated Revenues	Actual Dedicated Revenues	(Shortfall) /Excess
Water Management Infrastructure	$ 297	$ 299	$ 2
Western Economic Partnership Agreement	228	224	(4)
Total	$ 525	$ 523	[1] $ (2)

(1) Shortfall is deducted from current year's authorized budget, as disclosed in Schedules 4 and 5 to the financial statements.

The Water Management Infrastructure dedicated revenue initiative refers to the maintenance and upgrading of the provincial water management infrastructure system. Revenues are received through the Use of Works Agreements whereby developers pay an annual fee to the Province.

The Western Economic Partnership Agreement dedicated revenue initiative refers to an agreement with the federal government whereby the federal government has agreed to pay 50 per cent of the cost of the following two projects over a three-year period beginning in 1999-2000: (a) preparation of ground water protection maps (a joint project with the Alberta Geological Service) and (b) development of a Sustainable Development Strategy for the Athabasca Oil Sands.

An additional Western Economic Partnership Agreement project was established on December 5, 2001 to support the Northern East Slopes Sustainable Resource and Environmental Management Strategy.

Note: The dedicated revenues presented in this schedule are included in the Ministry's Statement of Operations.

Ministry of Environment

Schedule to Financial Statements

Expenses-Directly Incurred Detailed by Object

Year ended March 31, 2002
(in thousands)

Schedule 3

	2002 Budget	2002 Actual	2001 Actual
Voted:			
Salaries, Wages and Employee Benefits	$ 47,119	$ 51,681	$ 49,436
Supplies and Services	32,098	30,840	26,971
Grants	21,001	22,923	10,991
Financial Transactions and Other	75	80	71
Amortization of Capital Assets	15,843	14,751	14,663
Total Voted Expenses	$ 116,136	$ 120,275	$ 102,132
Statutory:			
Salaries, Wages and Employee Benefits	$ -	$ 157	$ 78
Supplies and Services	7,500	3,190	3,105
Grants	-	44	4
Financial Transactions and Other	-	625	625
Valuation Adjustment and Other Provisions	99	91	198
Total Statutory	$ 7,599	$ 4,107	$ 4,010

Ministry of Environment

Schedule to Financial Statements

Budget

Year ended March 31, 2002
(in thousands)

Schedule 4

	2001-2002 Estimates	Adjustments (a)	2001-2002 Budget	Authorized Supplementary (b)	2001-2002 Authorized Budget
Revenues					
Internal Government Transfers	$ 7,500	$ -	$ 7,500	$ -	$ 7,500
Transfer from the Government of Canada	178	-	178	50	228
Fees, Permits and Licences	1,227	-	1,227	-	1,227
Other Revenue	568	-	568	-	568
	9,473	-	9,473	50	9,523
Expenses - Directly Incurred					
Voted Expenses					
Business Sustaining Services	5,851	-	5,851	-	5,851
Policy Secretariat	3,801	-	3,801	-	3,801
Regulatory Approvals	12,709	-	12,709	-	12,709
Environmental Enforcement and Monitoring	8,861	-	8,861	-	8,861
Environmental Assessment and Compliance	6,252	-	6,252	-	6,252
Environmental Sciences	15,662	-	15,662	6,000	21,662
Environmental Operations	6,352	-	6,352	-	6,352
Climate Change	3,361	-	3,361	-	3,361
Water Management	33,176	-	33,176	2,296	35,472
Integrated Resource Management	588	-	588	50	638
Environmental Education	746	-	746	-	746
Environmental Appeal Board	934	-	934	-	934
Amortization of Capital Assets	15,843	-	15,843	-	15,843
Nominal Sum Disposals	2,000	-	2,000	-	2,000
Dedicated Revenue Shortfall (Schedule 2)	-	(2)	(2)	-	(2)
	116,136	(2)	116,134	8,346	124,480
Statutory Expenses					
Land Reclamation Program	3,750	-	3,750	-	3,750
Special Waste Management Program	1,000	-	1,000	-	1,000
Emergency Spills and Cleanups	750	-	750	-	750
Drought and Flood Emergencies	2,000	-	2,000	-	2,000
Valuation Adjustments					
Provision for Doubtful Accounts	99	-	99	-	99
Provision for Vacation Pay	-	-	-	-	-
	7,599	-	7,599	-	7,599
	123,735	(2)	123,733	8,346	132,079
(Gain) Loss on Disposal of Capital Assets	(1,160)	-	(1,160)	-	(1,160)
Net Operating Results	$ (113,102)	$ 2	$ (113,100)	$ (8,296)	$ (121,396)
Capital Investment	$ 1,089	$ -	$ 1,089	$ -	$ 1,089

(a) Adjustments include dedicated revenue shortfalls.

(b) A Supplementary Estimate of $8,296 was approved on March 14, 2002. Authorized Supplementary also includes an increase of $50 as a result of an approved increase in expense and dedicated revenue, pursuant to section 24(2) of the *Financial Administration Act*.

Ministry of Environment

Schedule to Financial Statements
Comparison of Expenses-Directly Incurred and Capital Investments by Element to Authorized Budget

Schedule 5

Year ended March 31, 2002
(in thousands)

		2001-2002 Estimates	Adjustments (a)	2001-2002 Budget	Authorized Supplementary (b)	2001-2002 Authorized Budget	2001-2002 Actual Expense	Unexpended (Over Expended)
Voted Expenses and Capital Investments								
Ministry Support Services								
1.0.1	Minister's Office	$ 320	$ -	$ 320	$ -	$ 320	$ 317	$ 3
1.0.2	Deputy Minister's Office	312	-	312	-	312	310	2
1.0.3	Communications	546	-	546	-	546	551	(5)
1.0.4	Financial Services							
	- Operating Expense	1,735	-	1,735	-	1,735	1,521	214
	- Capital Investment	-	-	-	-	-	9	(9)
1.0.5	Human Resources	528	-	528	-	528	412	116
1.0.6	Information Technology	864	-	864	-	864	976	(112)
1.0.7	Information Centre	166	-	166	-	166	187	(21)
1.0.8	Freedom of Information and Privacy	1,280	-	1,280	-	1,280	1,284	(4)
1.0.9	Legal Services	100	-	100	-	100	131	(31)
1.0.10	Amortization of Capital Assets	18	-	18	-	18	-	18
1.0.11	Achievement Award	-	-	-	-	-	440	(440)
	TOTAL PROGRAM 1	5,869	-	5,869	-	5,869	6,138	(269)
Policy, Program and Standards								
2.0.1	Policy Secretariat	3,801	-	3,801	-	3,801	3,049	752
2.0.2	Environmental Enforcement and Monitoring							
	- Operating Expense	4,423	-	4,423	-	4,423	4,550	(127)
	- Capital Investment	794	-	794	-	794	1,566	(772)
2.0.3	Environmental Assessment and Compliance	6,252	-	6,252	-	6,252	5,209	1,043
2.0.4	Environmental Sciences	15,662	-	15,662	6,000	21,662	17,758	3,904
2.0.5	Environmental Operations	6,352	-	6,352	-	6,352	6,098	254
2.0.6	Climate Change	3,361	-	3,361	-	3,361	6,544	(3,183)
2.0.7	Water Management							
	- Operating Expense	19,270	-	19,270	-	19,270	15,317	3,953
	- Capital Investment	295	-	295	-	295	331	(36)
2.0.8	Integrated Resource Management	588	-	588	50	638	1,474	(836)
2.0.9	Environmental Education	746	-	746	-	746	1,373	(627)
2.0.10	Amortization of Capital Assets	1,190	-	1,190	-	1,190	1,397	(207)
2.0.11	Environmental Appeal Board	934	-	934	-	934	921	13
	TOTAL PROGRAM 2	63,668	-	63,668	6,050	69,718	65,587	4,131
Regional Operations								
3.1	Northwest Boreal Region							
3.1.1	Regulatory Approvals	1,665	-	1,665	-	1,665	1,762	(97)
3.1.2	Environmental Enforcement and Monitoring	571	-	571	-	571	551	20
3.1.3	Water Management	1,277	-	1,277	850	2,127	1,767	360
	Total Sub-program	3,513	-	3,513	850	4,363	4,080	283
3.2	Northeast Boreal Region							
3.2.1	Regulatory Approvals	2,593	-	2,593	-	2,593	3,396	(803)
3.2.2	Environmental Enforcement and Monitoring	1,143	-	1,143	-	1,143	1,218	(75)
3.2.3	Water Management	1,218	-	1,218	111	1,329	2,316	(987)
	Total Sub-program	4,954	-	4,954	111	5,065	6,930	(1,865)
3.3	Northern East Slopes Region							
3.3.1	Regulatory Approvals	1,744	-	1,744	-	1,744	1,818	(74)
3.3.2	Environmental Enforcement and Monitoring	774	-	774	-	774	797	(23)
3.3.3	Water Management	1,111	-	1,111	13	1,124	1,136	(12)
	Total Sub-program	3,629	-	3,629	13	3,642	3,751	(109)

Ministry of Environment

Schedule to Financial Statements
Comparison of Expenses-Directly Incurred and Capital Investments by Element to Authorized Budget

Schedule 5 - cont'd

Year ended March 31, 2002
(in thousands)

		2001-2002 Estimates	Adjustments (a)	2001-2002 Budget	Authorized Supplementary (b)	2001-2002 Authorized Budget	2001-2002 Actual Expense	Unexpended (Over Expended)
3.4	Bow Region							
3.4.1	Regulatory Approvals	2,503	-	2,503	-	2,503	2,413	90
3.4.2	Environmental Enforcement and Monitoring	827	-	827	-	827	1,093	(266)
3.4.3	Water Management	2,839	-	2,839	162	3,001	3,332	(331)
	Total Sub-program	6,169	-	6,169	162	6,331	6,838	(507)
3.5	Parkland Region							
3.5.1	Regulatory Approvals	2,647	-	2,647	-	2,647	2,561	86
3.5.2	Environmental Enforcement and Monitoring	606	-	606	-	606	526	80
3.5.3	Water Management	2,511	-	2,511	184	2,695	3,249	(554)
	Total Sub-program	5,764	-	5,764	184	5,948	6,336	(388)
3.6	Prairie Region							
3.6.1	Regulatory Approvals	1,557	-	1,557	-	1,557	1,604	(47)
3.6.2	Environmental Enforcement and Monitoring	517	-	517	-	517	401	116
3.6.3	Water Management							
	- Operating Expense	4,950	-	4,950	976	5,926	7,162	(1,236)
	- Capital Investment	-	-	-	-	-	15	(15)
	Total Sub-program	7,024	-	7,024	976	8,000	9,182	(1,182)
3.7	Non-cash Transactions							
3.7.1	Amortization of Capital Assets	14,635	-	14,635	-	14,635	13,354	1,281
3.7.2	Nominal Sum Disposals	2,000	-	2,000	-	2,000	-	2,000
	Total Sub-program	16,635	-	16,635	-	16,635	13,354	3,281
	TOTAL PROGRAM 3	47,688	-	47,688	2,296	49,984	50,471	(487)
Dedicated Revenue Shortfall (Schedule 2)		-	(2)	(2)	-	(2)	-	(2)
TOTAL VOTED EXPENSES		$ 117,225	$ (2)	$ 117,223	$ 8,346	$ 125,569	$ 122,196	$ 3,373
PROGRAM OPERATING EXPENSE		116,136	(2)	116,134	8,346	124,480	120,275	4,205
PROGRAM CAPITAL INVESTMENT		1,089	-	1,089	-	1,089	1,921	(832)
TOTAL VOTED EXPENSES		$ 117,225	$ (2)	$ 117,223	$ 8,346	$ 125,569	$ 122,196	$ 3,373
Statutory Expenses								
Land Reclamation Program		3,750	-	3,750	-	3,750	1,056	2,694
Special Waste Management Program		1,000	-	1,000	-	1,000	913	87
Emergency Spills and Cleanups		750	-	750	-	750	876	(126)
Drought and Flood Emergencies		2,000	-	2,000	-	2,000	1,171	829
Valuation Adjustments and Other Provisions		99	-	99	-	99	91	8
		$ 7,599	$ -	$ 7,599	$ -	$ 7,599	$ 4,107	$ 3,492

(a) Adjustments include dedicated revenue shortfalls.

(b) A Supplementary Estimate of $8,296 was approved on March 14, 2002. Authorized Supplementary also includes an increase of $50 as a result of an approved increase in expense and dedicated revenue, pursuant to section 24(2) of the *Financial Administration Act*.

Ministry of Environment

Schedule to Financial Statements
Salary and Benefits Disclosure

Year ended March 31, 2002

Schedule 6

	2002			2001
	Salary[1]	Benefits & Allowances[2]	Total	Total
Deputy Minister[3]	$ 158,080	$ 48,809	$ 206,889	$ 223,846
Assistant Deputy Ministers				
Environmental Assurance Division	118,205	31,182	149,387	155,061
Regional Services Division[4][5]	124,750	36,287	161,037	-
Strategic Directions Division	122,470	30,822	153,292	149,690
Strategic Corporate Services Division[6][7]	39,821	10,321	50,142	132,963
Director, Human Resource Services[7]	102,814	24,832	127,646	119,293

Total salary and benefits relating to a position are disclosed.

(1) Salary includes regular base pay, bonuses, overtime and lump sum payments.

(2) Benefits and allowances include the government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long term disability plans, WCB premiums, professional memberships and tuition fees.

(3) Automobile provided, no dollar amount included in benefits and allowances figures.

(4) Benefits and allowances include vacation payments to the Assistant Deputy Minister, Regional Services Division $8,224.

(5) Position created on May 22, 2001.

(6) The Assistant Deputy Minister of Strategic Corporate Services (formerly the Senior Financial Officer) position, was created in 2001 and filled on November 20, 2001.

(7) The incumbent's services are shared with the Ministry of Sustainable Resource Development which contributes its own share of the cost of salary and benefits. Full salary and benefits are disclosed in this schedule.

Ministry of Environment

Schedule to Financial Statements
Related Party Transactions

Year ended March 31, 2002
(in thousands)

Schedule 7

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Ministry had the following transactions with related parties recorded on the Statement of Operations at the amount of consideration agreed upon between the related parties.

	Other Entities	
	2002	2001
Revenues		
Internal Government Transfer	$ 4,016	$ 3,812
Fees and Charges	-	38
	$ 4,016	$ 3,850
Expenses - Directly Incurred		
Grants	-	50
Other Services	5,799	658
	$ 5,799	$ 708
Capital Assets Transferred	$ 12,144	$ -

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements, and are disclosed in Schedule 8.

	Other Entities	
	2002	2001
Expenses - Incurred by Others		
Accommodation	$ 4,605	$ 4,911
Legal	1,620	989
	$ 6,225	$ 5,900

Ministry of Environment

Schedule to Financial Statements

Allocated Costs

Year ended March 31, 2002
(in thousands)

Schedule 8

Program	2002 Expenses(1)	Expenses-Incurred by Others: Accommodation Costs	Expenses-Incurred by Others: Legal Services	Valuation Adjustments: Vacation Pay	Valuation Adjustments: Doubtful Accounts	2002 Expenses	2001 Expenses
Business Sustaining Services	$ 6,129	$ 638	$ 34	$ 67	$ -	$ 6,868	$ 7,287
Policy Secretariat	3,049	89	2	(17)	-	3,123	3,224
Regulatory Approvals	13,554	903	1,080	42	-	15,579	12,163
Environmental Enforcement and Monitoring	9,136	494	35	(9)	64	9,720	9,269
Environmental Assessment and Compliance	5,209	89	170	(4)	-	5,464	763
Environmental Sciences	17,758	323	19	(22)	-	18,078	9,471
Environmental Operations	6,098	129	-	14	-	6,241	8,791
Climate Change	6,544	61	-	71	-	6,676	2,052
Water Management	34,279	1,764	280	(165)	-	36,158	36,893
Integrated Resource Management	1,474	42	-	35	-	1,551	2,096
Environmental Education	1,373	39	-	4	-	1,416	762
Environmental Appeal Board	921	34	-	11	-	966	795
Land Reclamation Program	1,056	-	-	-	-	1,056	617
Special Waste Management Program	913	-	-	-	-	913	1,001
Drought and Flood Emergencies	876	-	-	-	-	876	1,599
Emergency Spills and Cleanups	1,171	-	-	-	-	1,171	595
Other	14,751	-	-	-	-	14,751	14,663
	$ 124,291	$ 4,605	$ 1,620	$ 27	$ 64	$ 130,607	$ 112,041

(1) Expenses - Directly Incurred as per Statement of Operations, excluding valuation adjustments.

Ministry of Environment

Statement of Remissions, Compromises and Write-Offs

Year ended March 31, 2002
unaudited
(in thousands)

The following statement has been prepared pursuant to Section 23 of the *Financial Administration Act*. This statement includes all remissions, compromises and write-offs made or approved during the fiscal year.

	2001/2002
Remissions under Section 21 of the *Financial Administration Act*:	$ -
Compromises under Section 22 of the *Financial Administration Act*:	
Other Accounts Receivable:	
Environmental Protection and Enhancement Act	-
Total Compromises	
Write-offs:	
Ministry Accounts Receivable	716
Ministry Accounts Payable Credits	-
Total Write-offs	716
Total remissions, compromises and write-offs	$ 716

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency	Ministry Annual Report
Agriculture Financial Services Corporation	Agriculture, Food and Rural Development
Alberta Alcohol and Drug Abuse Commission	Health and Wellness
Alberta Dairy Control Board	Agriculture, Food and Rural Development
Alberta Energy and Utilities Board	Energy
Alberta Foundation for the Arts	Community Development
Alberta Gaming and Liquor Commission	Gaming
Alberta Government Telephones Commission, The	Finance
Alberta Heritage Foundation for Medical Research Endowment Fund	Revenue
Alberta Heritage Savings Trust Fund	Revenue
Alberta Heritage Scholarship Fund	Revenue
Alberta Heritage Science and Engineering Research Endowment Fund	Revenue
Alberta Historical Resources Foundation, The	Community Development
Alberta Insurance Council	Finance
Alberta Municipal Financing Corporation	Finance
Alberta Opportunity Company	Agriculture, Food and Rural Development
Alberta Pensions Administration Corporation	Finance
Alberta Petroleum Marketing Commission	Energy
Alberta Research Council Inc.	Innovation and Science
Alberta Risk Management Fund	Revenue
Alberta School Foundation Fund	Learning
Alberta Science and Research Authority	Innovation and Science
Alberta Securities Commission	Finance
Alberta Social Housing Corporation	Seniors
Alberta Sport, Recreation, Parks and Wildlife Foundation	Community Development

Alphabetical List of Government Entities' Financial Statements

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY - cont'd

Ministry, Department, Fund or Agency	Ministry Annual Report
Alberta Treasury Branches	Finance
ATB Investment Services Inc.	Finance
Child and Family Services Authorities:	Children's Services
Awasak Child and Family Services Authority	
Calgary Rocky View Child and Family Services Authority	
Child and Family Services Authority Region 13	
Child and Family Services Authority Region 14	
Diamond Willow Child and Family Services Authority	
Hearthstone Child and Family Services Authority	
Keystone Child and Family Services Authority	
Ma' Mowe Capital Region Child and Family Services Authority	
Metis Settlements Child and Family Services Authority	
Neegan Awas'sak Child and Family Services Authority	
Ribstone Child and Family Services Authority	
Sakaigun Asky Child and Family Services Authority	
Sakaw-Askiy Child and Family Services Authority	
Silver Birch Child and Family Services Authority	
Southeast Alberta Child and Family Services Authority	
Sun Country Child and Family Services Authority	
West Yellowhead Child and Family Services Authority	
Windsong Child and Family Services Authority	
Credit Union Deposit Guarantee Corporation	Finance
Crop Reinsurance Fund of Alberta	Agriculture, Food and Rural Development
Department of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Department of Children's Services	Children's Services
Department of Community Development	Community Development
Department of Energy	Energy
Department of Finance	Finance
Department of Gaming	Gaming
Department of Health and Wellness	Health and Wellness
Department of Innovation and Science	Innovation and Science
Department of Learning	Learning
Department of Revenue	Revenue
Department of Seniors	Seniors
Department of Solicitor General	Solicitor General
Department of Sustainable Resource Development	Sustainable Resource Development

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY - cont'd

Ministry, Department, Fund or Agency	Ministry Annual Report
Environmental Protection and Enhancement Fund	Sustainable Resource Development
Gainers Inc.	Finance
Government House Foundation, The	Community Development
Historic Resources Fund	Community Development
Human Rights, Citizenship and Multiculturalism Education Fund	Community Development
iCore Inc.	Innovation and Science
Lottery Fund	Gaming
Ministry of Aboriginal Affairs and Northern Development[1]	Aboriginal Affairs and Northern Development
Ministry of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Ministry of Children's Services	Children's Services
Ministry of Community Development	Community Development
Ministry of Economic Development[1]	Economic Development
Ministry of Energy	Energy
Ministry of Environment[1]	Environment
Ministry of Finance	Finance
Ministry of Executive Council[1]	Executive Council
Ministry of Gaming	Gaming
Ministry of Government Services[1]	Government Services
Ministry of Health and Wellness	Health and Wellness
Ministry of Human Resources and Employment[1]	Human Resources and Employment
Ministry of Infrastructure	Infrastructure
Ministry of Innovation and Science	Innovation and Science
Ministry of International and Intergovernmental Relations[1]	International and Intergovernmental Relations
Ministry of Justice[1]	Justice
Ministry of Learning	Learning
Ministry of Municipal Affairs[1]	Municipal Affairs
Ministry of Revenue	Revenue
Ministry of Seniors	Seniors
Ministry of Solicitor General	Solicitor General
Ministry of Sustainable Resource Development	Sustainable Resource Development

[1] Ministry includes only the department so separate department financial statements are not necessary.

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY - cont'd

Ministry, Department, Fund or Agency	Ministry Annual Report
Ministry of Transportation[1]	Transportation
N.A. Properties (1994) Ltd.	Finance
Natural Resources Conservation Board	Sustainable Resource Development
Persons with Developmental Disabilities Community Boards	
Calgary Community Board	Community Development
Central Community Board	Community Development
Edmonton Community Board	Community Development
Northeast Community Board	Community Development
Northwest Community Board	Community Development
South Community Board	Community Development
Persons with Developmental Disabilities Michener Centre Facility Board	Community Development
Persons with Developmental Disabilities Provincial Board	Community Development
S C Financial Ltd.	Finance

ENTITIES NOT INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Fund or Agency	Ministry Annual Report
Supplementary Retirement Plan Reserve Fund	Finance
Victims of Crime Fund	Solicitor General
Wild Rose Foundation, The	Community Development
Alberta Cancer Board	Health and Wellness
Alberta Foundation for Health Research	Innovation and Science
Alberta Heritage Foundation for Medical Research	Innovation and Science
Alberta Heritage Foundation for Science and Engineering Research	Innovation and Science
Alberta Mental Health Board	Health and Wellness
Alberta Teachers' Retirement Fund Board	Learning
Improvement Districts' Trust Account	Municipal Affairs
Local Authorities Pension Plan	Finance
Long-Term Disability Income Continuance Plan - Bargaining Unit	Human Resources and Employment
Long-Term Disability Income Continuance Plan - Management, Opted Out and Excluded	Human Resources and Employment
Management Employees Pension Plan	Finance
Provincial Judges and Masters in Chambers Pension Plan	Finance
Public Post Secondary Institutions	Learning
Public Service Management (Closed Membership) Pension Plan	Finance
Public Service Pension Plan	Finance
Regional Health Authorities	Health and Wellness
School Boards	Learning
Special Areas Trust Account, The	Municipal Affairs
Special Forces Pension Plan	Finance
Supplementary Retirement Plan for Public Service Managers	Finance
Universities Academic Pension Plan	Finance
Workers' Compensation Board	Human Resources and Employment